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Yugoslavia

Federal—TANJUG reports that President Dobrica Cosic told journalists at a Belgrade press conference that he will not put his name forward for "any political post" in the parliamentary elections scheduled for December. Cosic added that he has not decided which party he will support in the elections.

Saying that he was a "member of the Democratic Party" before returning to Yugoslavia to become prime minister, Milan Panic predicted that "all that has marred" U.S.-Yugoslav relations "will be removed" with Bill Clinton's election, TANJUG reports. Panic said that he is "convinced" that the new administration "will take into consideration our peace efforts," thus leading to a "speedier abolition of sanctions and the dignified return of Yugoslavia to the world scene."

Croatia

President Franjo Tudjman sent a message of congratulations to President-Elect Bill Clinton, Zagreb radio reports. In the message, Tudjman urged Clinton to "speed up the implementation" of decisions made by the UN to "stop the terrible war" in Bosnia-Hercegovina and to "establish peace" in the countries of former Yugoslavia.

Bosnia-Hercegovina

Foreign Minister Haris Silajdzic expressed the "hope" that Bill Clinton's election will "lead toward the abolishment of the United Nations embargo on the export of arms to Bosnia-Hercegovina," Ljubljana radio reports.

Poland

Warsaw radio reports that President Lech Walesa "wishes U.S. President-Elect Bill Clinton determination and consistency in implementing his vision of a new America that he and his generation embody." Finance Minister Jerzy Osiatynski added that "there is not yet any basis to judge that the Clinton administration will be less well-disposed toward us than the Bush administration."

Hungary

MTI reports that Prime Minister Jozsef Antall "sent telegrams of greetings to U.S. President George Bush and President-Elect Bill Clinton." In his telegram to Bush, Antall stated: "Your support has widely contributed to the creation and strengthening of our system of democratic institutions and to establishing market economy." In his telegram to Clinton, Antall stressed: "I am convinced that the presence of the United States of America is the necessary precondition for European stability, the easing of tensions and the successful activity of NATO."

Czechoslovakia

Prague Radio reports that Czech Prime Minister Vaclav Klaus and Slovak Prime Minister Vladimir Meciar "congratulated" U.S. President-Elect Bill Clinton, noting that his victory "will ensure that the tradition of good, close relations between the CSFR and the United States will continue." Klaus went on to describe the relations as "the cornerstone of our foreign policy."

Romania

Bucharest Radio reports that President Ion Iliescu accepted an FDSN proposal recommending Nicolae Vacaroiu for the position of prime minister. In a speech at a meeting with parliamentary party leaders, Iliescu said that Vacaroiu "has extensive knowledge in the sphere of the macroeconomy and of the mechanisms of the market economy." He stressed that "this appointment coincides with certain recommendations made, namely that we should resort to a man deeply involved in specific economic problems, an administrator of the national economy."

Politicians React to Clinton Victory in Election

SDS Leader Hails Win

AU0411184392 Sofia Khristo Botev Radio Network in Bulgarian 1830 GMT 4 Nov 92

[Text] Clinton's victory was expected, and it coincides with the policy of change that the Union of Democratic Forces [SDS] also shares—Aleksandur Yordanov, chairman of the SDS parliamentary group, declared this today to a BTA reporter when asked to comment on the U.S. presidential election results. Aleksandur Yordanov considers that the victory of the Democrat Clinton came at an extremely important and complex political juncture for both the United States and the world as a whole, when the expectations for change are great. However, at the moment it is difficult to say what will emerge from this victory, Mr. Yordanov added, not only for Bulgaria but also for the other countries of Eastern Europe because the assessments and expectations are contradictory. In Poland for example, from where I returned today, he said, there was much greater support for President Bush because he, together with President Reagan, symbolizes to a large extent the disintegration of the communist system.

DPS Oktay Predicts Change

AU0411214892 Sofia Khristo Botev Radio Network in Bulgarian 2030 GMT 4 Nov 92

[Text] With the election of Bill Clinton as U.S. president, the change has won—Osman Oktay, member of the leadership of the Rights and Freedoms Movement [DPS], stated this to a BTA reporter today. According to him, the change, which is something like our own blue [color of ruling Union of Democratic Forces coalition] idea, has many supporters and it always wins. I expected such a development of affairs, he added, because Clinton's motto was: Vote for Change.

BSP Faction Leader Comments

AU0411215592 Sofia Khristo Botev Radio Network in Bulgarian 2030 GMT 4 Nov 92

[Text] The U.S. elections, especially at this moment, are extremely important because, given the profound democratic changes that are in progress in the countries of Central and Eastern Europe, it is far from immaterial which tendency will be victorious in the United States. This is the view of Chavdar Kyuranov, leader of the Alliance for Social Democracy in the BSP [Bulgarian Socialist Party]. According to him, the Republican Party, represented by Bush, was not at all interested in social problems, or was only slightly interested in solving them. By tradition, the Democratic Party has always had a serious attitude toward the social aspect of life. From this viewpoint, Mr. Kyuranov stressed, Clinton's victory is a positive phenomenon. It is quite possible that some representative of the SDS [Union of Democratic Forces] may think that this is a new Clin-ton [play on "klin"—Bulgarian word for "wedge"] in Bulgarian socioeconomic life, he said. He added that certain members of the extreme right wing of the SDS were extremely overhasty in displaying their unshakable preference for Mr. Bush. They should draw serious conclusions [words indistinct].

IMF Official Urges Continued Economic Reforms

AU0411215692 Sofia BTA in English 2038 GMT 4 Nov 92

[Text] Sofia, November 4 (BTA)—Bulgarian President Dr. Zhelyu Zhelev received the IMF mission leader to Bulgaria, Mr. Annoup Singh this morning. The meeting was attended by resident representatives in Sofia of the International Monetary Fund, Mr. Emanuel Zervudakis, and of the World Bank, Mr. John Wilton, along with Mr. Boyan Slavenkov and Ms. Mariana Todorova, economic advisers to the president.

At the end of today's talks, Mr. Annoup Singh stressed the need to pursue the adopted line of economic reforms. "As far back as two months ago, I pointed out that this policy had succeeded in a number of ways: in curbing inflation, creating foreign exchange reserves and promoting a feeling of trust to Bulgaria. In my current talks in Bulgaria," Mr. Singh said, "I observe a wide approval to this policy which makes me believe it will be pursued in the future. No one in Bulgaria desires a relapse into soaring inflation, centrally- planned economy and food shortage. What matters are the conditions under which the development to a market economy will be carried out." Mr. Singh expressed his confidence that the achievements of Mr. Filip Dimitrov's cabinet would be preserved and built upon in the future and the policy thus established would be pursued more vigorously, especially in regard to structural adjustment reforms, land restitution and privatization.

Mr. Singh denied to have said that a comprehensive economic agreement between Bulgaria and the IMF could be signed with Mr. Dimitrov's government alone, but he nevertheless stressed the need for a continuity in the economic policy of the present government and the ones to come in the future.

"Mr. Singh is not interested in personalities but principles," Mr. Boyan Slavenkov, economic adviser to the president said. "He is willing to cooperate with anyone who adheres to the fund's ideas, with a government that will continue the economic reforms so that Bulgaria and the IMF will be able to sign the 1993 agreement and the comprehensive three-year accord.". In connection with the criticism leveled at the fund's programme by Bulgarian trade unions, Mr. Slavenkov said that "Bulgaria has committed itself to the fund's programme and must observe it very strictly. Bulgaria's image, the support of the international community, including their support on the foreign debt issue, depend on this. It is the trade unions' right to seek ways for correcting this programme and the programme itself allows for such corrections," Mr. Slavenkov said. "The World Bank is drafting a

number of programmes on health care, social insurance and unemployment at present which might satisfy the trade unions," he said.

The IMF mission leader to Bulgaria today conferred with the leaderships of the parliamentary factions of the Union of Democratic Forces, the Bulgarian Socialist Party, and the Movement for Rights and Freedoms.

Dogan Denies Working as State Security Agent

AU0411222292 Sofia Khorizont Radio Network in Bulgarian 1730 GMT 4 Nov 92

[Text] In an interview given to the Khorizont Program, Ahmed Dogan [leader of the Rights and Freedoms Movement] denied the claim published in the press that he had been a State Security agent. He stated that he will demand that proof is provided for these assertions, which according to him are untrue. He believes that the article is a political insinuation intended to destabilize the Rights and Freedoms Movement.

Plans To Sue

AU0411222592 Sofia BTA in English 2116 GMT 4 Nov 92

[Text] Sofia, November 4 (BTA)—The leader of the ethnic Turks' Movement for Rights and Freedoms (DPS), Mr. Ahmed Dogan, assessed the publications in OTECHESTVEN VESTNIK accusing him of being a secret agent to the former State Security as "blackmail and an attempt to discredit his personality before the Bulgarian public and the DPS, in particular, and a move intended to arouse distrust in the DPS." The OTECHESTVEN VESTNIK daily quoted Mr. Radoslav Raykov, former deputy chief of the National Intelligence Service, as saying that Mr. Dogan was recruited a secret informer under the alias "Sava" in 1974, and in 1984 (when the communist regime launched the forced assimilation campaign against ethnic Turks) he was ordered to join an underground group that laid the foundations of the Turkish National Liberation Movement.

Mr. Dogan assessed these allegations as libel. Mr. Raykov, who, he said, was an adviser to a party affiliated to the Union of Democratic Forces (SDS) was performing a definite task in the present political situation. The DPS leader elaborated his thesis in detail in an interview for Radio Free Europe today and later repeated it in summarized form before Bulgarian mass media. Mr. Ahmed Dogan said he would refer the matter to the court. He is willing to support the move for introducing the issue concerning secret police files to parliament. "This problem must be settled once and for all," Mr. Dogan said, "to rule out any possibilities for politicians to be blackmailed."

Intelligence Office Has File

AU0511111092 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 5 Nov 92

[Text] Ahmed Dogan's file is in the safe of a department head, on the 15th floor of the Central Intelligence Service building. This was stated this morning by Radoslav Raykov, former deputy director of the Intelligence Service. Mr. Raykov made his statement to our reporter Mariya Tsankova and pointed out that if the file disappears, it must be established who was responsible for this. The former spy, now retired, told our reporter that the Intelligence Service is presently active inside the country, and is engaging in activity such as eavesdropping, something which is illegal and punishable.

SDS Opens National Political Conference

AU0411220092 Sofia Khristo Botev Radio Network in Bulgarian 1830 GMT 4 Nov 92

[Text] This evening, the Union of Democratic Forces [SDS] opened a national political conference in the Vitosha Hotel in Sofia. Taking part in the conference are members of the SDS National Coordinating Council, deputies from the SDS parliamentary group, ministers and deputy ministers, and experts of the blue [SDS] coalition.

The SDS is expected to adopt decisions on the following issues of principle:

—whether the SDS should form a government soon or not hurry with this task;

—the composition of the new cabinet [words indistinct];

—whether the SDS should continue to maintain a parliamentary majority with the Rights and Freedoms Movement [DPS];

—whether the SDS should invite the DPS to sign an agreement and to participate in the cabinet;

—whether the blue coalition should seek new extraparliamentary partners; and

—how it should react if the BSP [Bulgarian Socialist Party] and DPS form a government.

Ways of Overcoming Crisis Sought

AU0511072992 Sofia BTA in English 2317 GMT 4 Nov 92

[Text] Sofia, November 4 (BTA)—The majority of the parties affiliated to the Union of Democratic Forces (SDS) supported in their preliminary stands Mr. Filip Dimitrov's candidature to form a new cabinet, according to the first statements. The participants in tonight's conference of the ruling coalition began discussing whether it would not be appropriate to seek a compromise and sacrifice Mr. Filip Dimitrov as a likely prime minister nominee. The discussions are expected to continue late into the night. The conference is attended by leaders of SDS-affiliated parties, experts, MP's [members of parliament] and ministers. The present conference will seek a way out of the complicated political

crisis which intensified ever further after the SDS government tendered its resignation last week under considerable pressure on the part of the ethnic Turks' Movement for Rights and Freedoms (DPS) and the Bulgarian Socialist (former Communist) Party (BSP).

The Bulgarian foreign minister and president of the 47th session of the UN General Assembly, Mr. Stoyan Ganev returned from New York to attend this conference. "Bulgaria is unable to move ahead at the moment. Both Mr. Dimitrov and the government want to make reforms but I am afraid this will be impossible under present circumstances," Mr. Ganev told a BTA reporter. According to him, current developments in Bulgaria suggested early elections. "Possible early elections would be a great burden to the Bulgarian people," he said. According to Mr. Stoyan Ganev, elections would be inevitable unless things changed for the better but they nevertheless should be conducted in compliance with procedures prescribed by the constitution.

Another opinion emerged two hours after the beginning of the political conference that the Union of Democratic Forces should seek a compromise with DPS. According to one of the participants, half of the parties in the coalition were inclined to believe that SDS should nominate its candidate to the post of National Assembly chairman vacated by Mr. Stefan Savov who tendered his resignation at DPS's request.

According to ex-Industry Minister Ivan Pushkarov, who resigned in May, it would be impossible for SDS to stick to its firm stand adopted by the September conference. "This firm stand should obviously be combined with a more flexible one. It is somewhere in between these two attitudes that the present conference should seek its decisions," Mr. Pushkarov said in a an interview on the spot broadcasted by TV Channel Two.

"The problem is not whether SDS will change its stand tonight but whether changes will continue in Bulgaria. There are people who want this process to stop, people who desire a relapse into the past. SDS will not spare any efforts to prevent this from happening," Mr. Yordan Vasilev of the Federation of Democracy Clubs (affiliated to SDS) said in the same newscast.

Dimitrov Nominated for Prime Minister

AU0511073792 Sofia BTA in English 0540 GMT 5 Nov 92

[Text] Sofia, November 5 (BTA)—At its political conference, which ended at 3 a.m. today, the Union of Democratic Forces (SDS) resolved to recommend that the union's parliamentary faction nominate lawyer Filip Dimitrov, 37, for the prime ministership and put SDS floor leader Aleksandur Yordanov forward as chairman of the National Assembly.

The SDS did not back down from the firm support it gave Mr. Dimitrov in its decisions at the end of September. In advance statements, representatives of Mr. Ahmed Dogan's Movement for Rights and Freedoms and the Socialist (ex-Communist) Party described this firm position as "unreasonable." It is hard to say whether these decisions will help the country out of the political crisis which deepened as the government was forced to resign last week after its motion of confidence was defeated by a narrow margin in parliament.

Off-the-record sources say the conference reached its decisions after seven hours of heated debates. Filip Dimitrov was supported by all 17 parties and organizations in the coalition. The representatives of 15 parties voted in favour of Aleksandur Yordanov's nomination, one party was against and one abstained, SDS spokesman Mikhail Nedelchev told the press. He specified that after consultations with the Movement for Rights and Freedoms, the parliamentary SDS will nominate Mr. Yordanov to the chair of the National Assembly today. "There is no other candidate," Mr. Nedelchev said, asked what will happen if the Movement for Rights and Freedoms, until recently SDS's parliamentary ally, turns down Aleksandur Yordanov.

Filip Dimitrov will be assigned to form a new cabinet on condition that the SDS top leadership discuss his portfolio nominees and that when introducing his new government, Mr. Dimitrov present a short-term cabinet programme. Judging by Filip Dimitrov's first statements to the press, he accepts these conditions.

Asked whether he expects new elections, Mr. Dimitrov called this a "tough question." If it comes to the formation of a cabinet, he will hold talks with the Movement for Rights and Freedoms, he said. Mr. Dimitrov expects the president to ask him to form the new cabinet immediately after the parliamentary SDS endorses the decision of last night's political conference of the SDS.

Zhelev Expulsion From SDS Coalition Criticized

AU0411150892 Sofia TRUD in Bulgarian 30 Oct 92 p 1

[Vladimir Petkov article: "The Father of the SDS Idea Has Once More Been Declared a Dissident"]

[Text] Yesterday, the Union of Democratic Forces [SDS] National Coordinating Council definitely tried to amaze millions of its supporters by expressing no confidence in the president, Dr. Zhelev, accusing him of having betrayed the alliance whose founder and leader he was at the beginning of the road to democracy, in the struggle against the totalitarian upper class that was defending itself with its communist, Jesuit, tactics and methods. We lived to see the present SDS leaders using these same Jesuit tactics against the first president of democratic Bulgaria—according to the propaganda slogan that "President Zhelev and his presidential team are responsible for everything." This is very convenient, if we should assume that attack is always the best form of defense.

Instead of trying to reconcile the stances of parliament, the government, and the president's office, they (namely

the SDS core of hardliners) once more displayed their Balkan mentality to the world. This was demonstrated by people who claim to have firmly stepped on the ground of real Europe. A constructive criticism by the president against the government's strategy, which he made on the occasion of his Boyana news conference, triggered off a steady series of attacks against him and his presidency. All the sins in the world have been ascribed to him. Nevertheless, this has not prevented him from enjoying the highest rating in the opinion polls. The act of the SDS leaders in expelling him from the union is hardly likely to diminish his popularity among the average SDS voters because the enraged group that demonstrated in front of the president's headquarters yesterday was composed of individuals who are no more democratic than the Communists, or the Nazis. It is not Dr. Zhelev who has become redundant to the SDS idea, it is rather those misled and manipulated people who are disgracing the SDS and forcing the feeble opposition into flexing its muscles again. You are deluding yourselves, gentlemen-comrades, because the people of the SDS and the democratic, extra-parliamentary coalition (to be) embody the best of the Bulgarian people's spirit and self-awareness, and they cannot be easily deceived. They are awaiting the future steps of democracy and shall always support it.

Parties Use Prospect of Early Elections as Threat

AU0511103292 Sofia KONTINENT in Bulgarian 31 Oct-1 Nov 92 p 6

[Commentary by Emil Koen: "The Specter"]

[Text] As on several occasions in the past, a new specter is emerging on our political scene today. Its current name is Elections. We have already become used to other specters, and the public pays hardly any attention to them any more. Let us recall "this notorious list" [of former social security informers] and "that notorious list," the "sliver plan," the "mafia," and many others. Today, as happened in the spring of 1991, we are being threatened with early elections. This kind of threat is very strange, considering that two groups belonging to the same "political team" are trying to frighten us in two totally contradictory ways.

According to the first group, elections are something to be afraid of because they would allegedly halt reform, freeze our relations with Western banks, lead to chaotic situations, make the country ungovernable, and so forth. The other group, however, says: "If things are not done our way, there will be elections." In responding to this, the first group even more intensifies its intimidation campaign by evoking the frightful specter of early elections.

The situation is really strange, to put it mildly. There is hardly any other country in the world where one of the basic elements of a democratic system—namely the holding of multiparty elections—should provoke such great emotion. As a matter of principle, frequent elections are undesirable because they stir up unnecessary political emotions and because the affairs of the state are likely to be neglected during the election campaign. Nevertheless, democracy has not invented any more acceptable method of obtaining a mandate to rule from the people. Should such a normal procedure be overdramatized?

If, in the final account, the partners of the former majority—namely, the Rights and Freedoms Movement [DPS] and the Union of Democratic Forces [SDS]—should fail to settle the problem of their mutual relations (which is not very probable), new elections would be a normal inevitability. This should resolve the matter, if the Bulgarian political scene were not so densely packed with passions, emotions, and specters, as it is today.

Sugarev Foresees Elections in Near Future

AU0411145592 Sofia BULGARSKA ARMIYA in Bulgarian 30 Oct 92 p 1

[Interview with Edvin Sugarev, deputy chairman of the Union of Democratic Forces parliamentary faction, by Vladimir Toromanov; date and place not given: "Prelude To New Elections"]

[Text] [Toromanov] How will things develop over the next few days after the vote of no confidence in the government?

[Sugarev] As far as I can tell, they will develop in the following manner:

We will propose a new cabinet led by Filip Dimitrov, which will include basically the same ministers, who have proved their loyalty to the Union of Democratic Forces [SDS] policy. Probably, this cabinet will be rejected. This will serve as a prelude to new elections because there is no political force capable of overcoming the difficulties that lie ahead.

[Toromanov] Is it possible to elect quickly a new National Assembly chairman?

[Sugarev] Of course, this is always possible. However, he will not be a member of the SDS.

I think that it is obvious to all that a new parliamentary majority rules in the parliament. Apparently the situation of the Grand National Assembly is repeating itself. Then 115 SDS entered the Assembly, and 39 left it. Now the SDS won the elections and relied on the support of a parliamentary majority. However, it found itself in a minority. Let us hope that the situation in the next parliament, which will be formed quickly, will be different.

[Toromanov] Is an escalation of nationalism possible?

[Sugarev] I really fear this. You can see for yourself that the people here are reacting very sharply to the line assumed by the Movement for Rights and Freedoms

[DPS] and its leadership. I think that even DPS voters do not view too positively the latest actions of the DPS leadership. We will try all means to avert the danger of escalating nationalism.

We are ready for an ethnic peace and unity of action on the part of all people who cherish democracy. We only oppose those who betray democracy.

DPS Accused of Manipulating 'Social' Issue

AU0511082592 Sofia DEMOKRATSIYA in Bulgarian 30 Oct 92 p 6

[Slavimir Genchev article: "Do Not Do Claim for Bulgaria Things Which Do Not Exist Even in Turkey"]

[Text] It seems that the leaders of the Rights and Freedoms Movement [DPS] no longer like the existing realities in Turkey. They have (whether sincerely or formally—this is another question) adopted purely social issues, close to common communism, in their attempts to speak on behalf of their electorate. On the other hand, they realize perfectly that emigrants to Turkey succeeded in a rather different way—namely, that those of them who were capable found jobs on the free employment market, while others who were uneducated and unqualified relied on social welfare provided by the state. Is it not the same as in our country?

It is true that in our country today even a qualified worker can hardly boast of his "success" in having found a job in the civil service, but the prospect of unemployment exploitation among the Turkish minority and the sinister prospects of them becoming low paid farm hands, which the landless ethnic Turkish peasants are threatened with, are simply absurd in the current transition to a market economy. Differences in income are bound to exist among Turks, as well as among Bulgarians in our country. I remember how some "patriotic" publications until recently were propagating the idea that the ethnic Turks are likely to purchase all the land and the Bulgarians would become their servants. Where is this fear now? The opposite danger is being presented today. It is equally hypothetical and inspired by the Reds, namely that the Bulgarians would take all the land and the Turks would work for them as laborers. Let us set aside the question which Turk will be rich and which Bulgarian will be poor—or vice versa—and let us admit: All over the world there are rich and poor people, but under a normally functioning market economy anyone who is willing to work can earn his living and become well off.

The only trouble is that the Bulgarian (and also the Turkish) people's mentality today is more easily inclined to accept lies about state welfare and security, rather than take the risk of earning one's own living. This is the point on which the gentlemen from the DPS are behaving like real comrades. They forget that in the political life of Turkey, a party with a platform such as theirs would not win a single seat in parliament because social utopia is alien to the majority of Turkish people. In our country, however, it is easier to manipulate and deceive people. It is even easier to manipulate and mislead the population by claiming to speak on its behalf. I cannot believe that the DPS electorate is willingly standing behind the actions and statements of its leaders whose intentions are already evident: Namely, to promote a socialist social welfare legislative program and to obtain market "alleviations" for their own electorate, despite the fact that this electorate is not homogeneous from the social, political, or even religious point of view. Such a policy is likely to evoke new confrontations on ethnic lines. If the DPS deputies should decide to avoid them, they would presumably hide behind the issue of "alleviations" for everyone in order to serve the communist-indoctrinated part of the Bulgarian people as a whole. So where are the assurances that the DPS is working for the real elimination of the communist system?

If they should proceed further down this road, the DPS members could easily change over to the left in parliament and re-register with the Bulgarian Communist Party [BCP]. For, even the most sophisticated demagogic moves must be taken to their logical conclusions.

Attempts To Form New Turkish Party Viewed

AU0411134492 Sofia BTA in English 1239 GMT 4 Nov 92

["Will Bulgarian Turks Set Up New Party?"—BTA headline]

[Text] Sofia, November 4 (BTA)—There has been talk these days of attempts to found a new party of ethnic Turks in Bulgaria, a Turkish Democratic Party. The interests of Bulgarian Turks are now represented mainly by the Movement for Rights and Freedoms (DPS) set up in 1990.

According to press reports, about twenty people gathered at a hotel in Sliven, central Bulgaria, on Saturday, October 30, and decided to found a new Turkish party. The idea was prompted by Aden Kenan, ex-MP [member of parliament] and the less famous Sabri Husein. According to Osman Oktay, a senior DPS official, Kenan and Husein were expelled from the DPS last year as extreme nationalists. Mr. Oktay said that Nedim Gendzhev (ex-Chief Mufti of Bulgarian Muslims, who allegedly collaborated with the former State Security) was pulling the strings of the new force. The DPS official sees the attempts to set up a new party as an attempt to split DPS voters sponsored by the ruling Union of Democratic Forces (SDS).

Mr. Kenan himself says in today's 24 CHASA that Bulgarian Turks have been deceived and disappointed by the DPS and need a new party. The Turkish Democratic Party would not profess nationalism but would fight the constitutional ban on parties set up on an ethnic basis, he says. According to Mr. Kenan, the party would not maintain relations with Turkey, but hopes to gain

some support there. The founding conference is scheduled to take place in ten days, he says.

The DPS leader in Sliven Mustafa Khatib was surprised by reports of a new Turkish-dominated party, the STANDART newspaper reports today. No member or supporter of the DPS in the town took part in the Saturday [31 October] meeting, he reportedly said.

Staliyski 'Not Entitled' to Diplomatic Passport

AU0511135292 Sofia DEMOKRATSIYA in Bulgarian 2 Nov 92 p 3

[Report by Eva Genova: "Your Are Too Hasty, Comrades!"]

[Text] A Bulgarian military delegation, headed by Defense Minister Aleksandur Staliyski, was scheduled to depart for Israel on 1 November. Naturally, current events in parliament caused the trip to be canceled. On this occasion, however, a curious little incident took place in the minister's office.

When it became known that the minister was not going to depart for Tel Aviv, Mr. Staliyski's security guards called Major Vasil Popov from the Defense Ministry's "Official Foreign Travel" Department and requested the return of the minister and his wife's diplomatic passports, and also the minister's personal, unofficial passport. The officer in question arrogantly declared that Staliyski was no longer a minister, nor was his wife a minister's spouse, hence they were not entitled to any passports, as of today, and he refused to hand over the passports. He forced the security guard to wait for a long time in the lobby, after which he was kind enough to hand over the guard's own passport.

You are much too hasty, comrades, with or without your shoulder boards! It took you less than 24 hours to drop the servile masks that you had been wearing for a whole year as you entered your superiors' offices. Nevertheless, it would not be inappropriate for you to memorize some of the following texts from that imperfect Constitution, which your idols so promptly adopted:

Article 111, Paragraph 1, Item 2 reads: The prerogatives of the Council of Ministers shall be discontinued only after the resignation of the cabinet or of the prime minister has been accepted.

Article 111, Paragraph 3 reads: The Council of Ministers shall continue to exercise its functions for as long as a new cabinet has not been elected.

This means that a minister continues to sign all official documents, even including orders relating to the appointment—or dismissal—of his employees.

Commentary Criticizes Handling of Military Bill

AU0411153292 Sofia KONTINENT in Bulgarian 31 Oct-1 Nov 92 p 6

[Commentary by Milcho Tomov: "The Military Do Not Want A Lawyer"]

[Text] The position of the Army's General Staff is unmistakable. It is demanding a clearly defined role. Colonel General Petrov, the chief of the General Staff, has never made a secret of this stance and has never spared anyone the embarrassment of announcing it in public. According to him, the authority of the defense minister should not transgress beyond the point where the temptation to exert political pressure or to serve a given party by forcible means might become too great. The Army should stay out of politics. The ban on using the Armed Forces for any party political purposes whatsoever, a ban that is resolutely defended by the General Staff in the relevant defense bill, was the stone over which Minister Staliyski had to stumble sooner or later.

The strangest aspect of the notorious "Staliyski" bill is that a government institution is trying to pass not one but a series of bills through the Council of Ministers, and even through the National Assembly's plenary session. Ex-Minister of Defense Dimitur Ludzhev had already submitted a defense bill that was approved by the Supreme Military Council, to Prime Minister Filip Dimitrov. Mr. Staliyski, his successor, however, decided to promote his own "democratic" ambitions. Well, what if a new minister comes, will he too submit his own draft? This is what the chief of the General Staff is wondering about. This is the cause for the insecurity that has engulfed the military like an epidemic.

Now, even the civilians who spent so many days and nights over the "Staliyski" bill, are praying to God that the new minister should not be a lawyer and also that his political convictions should be more moderate. Otherwise, there will be no defense legislation in the near future, nor will the military commanders, who are eager to devote themselves to their troops and to their combat readiness, be able to lead a peaceful existence away from the petty political machinations of their masters.

Premiers Believe Clinton To Continue Close Ties

LD0411182092 Prague Stanice Ceskoslovensko Radio Network in Czech 1700 GMT 4 Nov 92

[Text] Prime Ministers Vaclav Klaus and Vladimir Meciar congratulated newly elected U.S. President Bill Clinton today, noting that his arrival in the White House will ensure that the tradition of good, close relations between the CSFR and the United States will continue. Vaclav Klaus called these relations the cornerstone of our foreign policy and recalled the assistance we received from the world's leading democracy when a free Czechslovakia came into being and during the difficulties of Nazi and communist oppression.

Klaus Expects No Policy Changes Under Clinton

LD0511161592 Prague Stanice Praha Radio Network in Czech 1430 GMT 5 Nov 92

[Excerpts] To assess the results of the elections, to reaffirm the Civic Democratic Party policy priorities and strategy, to amend its charter, and to elect the leadership—this is how Vaclav Klaus summed up the agenda of the 7 November congress of the strongest political party in the Czech Republic. Here is Vaclav Musilek who will tell you more. [passage omitted]

Speaking about Bill Clinton's election victory in the U.S. presidential election, Vaclav Klaus said that he did not expect any revolutionary changes either in domestic or foreign policy of the United States. The maneuvering scope of presidential administration will be very narrow, especially on economic issues. It is therefore necessary to differentiate between Clinton's election rhetoric and the realistic measures that will follow, said Klaus.

Responding to repeated questions concerning the government draft of the Czech Republic constitution, which was completed today, Vaclav Klaus said that he regarded its form as very stable because there can be as many as seven ballots on a constitutional bill, while apart from the constitution itself it has been proposed that only the laws on changing external borders and the borders of individual territorial-administrative units are to take up the form of a constitutional law. As far as territorial-administrative units are concerned, these can be either districts, regions, or lands. It is up to the decisions made by relevant representations.

Vaclav Klaus then defined the priorities of the Civic Democratic Party's policy for the weeks to come as follows: first, the Constitution; second, treaties with the Slovak Republic; and third, the Czech Republic state budget.

EC Links Slovak Recognition to Dam Issue

AU0411115792 Prague CSTK in English 1648 GMT 2 Nov 92

[Text] Prague, Nov 2 (CSTK)—The European Community (EC) has a concrete plan for resolving the Gabcikovo dam dispute and will exert maximum pressure to make the Czech and Slovak Republics settle the problem, Jiri Payne, a Czech parliament member, said today.

Payne, the chair of the Czech National Council (parliament) Foreign Affairs Committee, was speaking to journalists after returning from a visit to the Benelux countries and the European Parliament in Strasbourg. Payne said that unless the problem is settled, Slovakia may have difficulties with achieving international recognition after January 1, 1993 when the Czechoslovak Federation is due to split. He added that in that case the prepared customs union between the two republics would lose meaning and the provisional agreement on customs and trade between Czechoslovakia and the EC would not be extended.

Gabcikovo is part of a Czechoslovak-Hungarian twin-dam project on the Danube, which the two countries began building in 1978. Hungary stopped work on its part at Nagymaros in 1989 citing environmental reasons and abrogated the 1977 agreement on the project in 1992, while Czechoslovakia went ahead with completing Gabcikovo.

Payne said that if the customs and trade agreement with the EC is not extended, the subsequent rise in customs duties and taxes would cause the collapse of many private firms and businessmen who took out loans to start their businesses. The only way of transferring the provisional agreement onto the two new republics is through an exchange of letters between the EC and each of the two at government level, but this question has not yet been taken up by the European Parliament, said Michal Lobkowicz, a member of the Czech Parliament's Foreign Affairs Committee who was in Payne's delegation.

According to Lobkowicz, the Czech Republic can in no case take its hands off Gabcikovo as most EC member states believe the Czech Republic must participate in solving this problem. The Czech Republic must not let itself be drawn into exerting pressure on Slovakia, he said.

Cabinet Approves Tripartite Agreement on Dam

LD0411231792 Prague CSTK in English 2023 GMT 4 Nov 92

[Text] Prague, Nov 4 (CSTK)—The Czechoslovak cabinet today approved a tripartite agreement by representatives of the European Community (EC), Czechoslovakia and Hungary on the Gabcikovo-Nagymaros hydroelectric project on the Danube. The agreement was adopted at a meeting of the three parties in London on October 28.

The cabinet approved a note and letter addressed to Hungary and the EC Commission, expressing its readiness to present the Gabcikovo case to the International Court of Justice in The Hague. Czechoslovakia and Hungary have been locked in dispute over the Danube

project ever since Hungary stopped work on its section at Nagymaros in 1989 for environmental reasons, while Czechoslovakia went ahead with its part at Gabcikovo.

At a press conference after the cabinet session, Federal Premier Jan Strasky said the federal cabinet does not know the results of the work of an EC expert commission which dealt with the project, because they are confidential. No expert judgment of the specialists has been presented to the cabinet, Strasky said.

Hungary To Accept All Recommendations

AU0511123192 Prague CSTK in English 1946 GMT 3 Nov 92

[Text] Prague/Budapest Nov 3 (CSTK)—The Hungarian side will accept all conclusions and recommendations by the tripartite expert commission also in case they are unfavorable for it, Miklos Csapody, a member of the Hungarian parliament Foreign Affairs Committee, today told CSTK by phone.

However, he stressed that this does not mean a change in Hungary's stand on the completion of the Gabcikovo hydroelectric project on the Danube. He said that Hungary continues to consider the damming of the Danube's bed illegal. Csapody said the Hungarian society was surprised by the policy of faits accomplis from the Slovak side and sees it as blackmail. However, it still hopes a solution will be found and believes that the only way out of the current dispute over Gabcikovo are the recommendations and conclusions by nonpartisan international bodies to which the both contractual sides should apply.

The Hungarian side considers the damming of the Danube and the following change of the navigation route to be the violation of its territorial integrity. In Csapody's view it is not essential whether the state frontiers or only their character is changing. The current Hungarian boundaries were defined by the Paris Peace Conference and any change will mean a violation of both states' integrity. A settlement of this legislative problem should be dealt with by an international judicial body, he added.

In Bratislava today the Hungarian Christian Democratic Movement (MKDH) and the Egyutteles movement said they think the current decision of the Gabcikovo twin-dam project issue is dangerous to the environment and further development of international relations in this region.

In a statement handed to journalists today, representatives of both Hungarian movements said they stand against unilateral decisions, concluding the damming of the Danube, and insist on the tripartite international commission to assess impacts of the construction on the environment. We consider it to be a flagrant violation of fundamental human rights that views of people who expressed their disagreement with Gabcikovo completion through different forms of civic protest are ignored, said the statement.

The Hungarian parties in Slovakia are also concerned over unilateral steps by the Slovak Government, running counter to the fact that the Gabcikovo issue is still within the Federal Government's jurisdiction. Both parties believe that because of this the problem could become a new burden in Slovak-Czech relations, the statement said.

'Some' Work on Dam Suspended During Talks

AU0411120092 Prague CSTK in English 1151 GMT 2 Nov 92

[Text] Bratislava, Nov 2 (CSTK)—The European Community (EC) commission of experts has said that the Gabcikovo hydroproject on the Danube in south Slovakia is good from the technical point of view, one of its members, Professor Igor Mucha, told CSTK today.

The commission consisted of three EC experts and one each from Czechoslovakia and Hungary. It ended its three-day study of the project on Saturday [31 October] and shortly before Saturday midnight, it sent its report to the EC headquarters in Brussels.

The report contains several alternatives for completion of the Gabcikovo project. The report lists works that must continue and be completed in order to ensure antiflood protection, navigation along the Danube, and safety of the already built structures. The commission was set up on the basis of agreement reached by the three parties in London October 28. Its report is to serve as a basis for a broader analysis of the project by a second EC commission, which should complete its work by November 15.

Gabcikovo is part of a Czechoslovak-Hungarian project on the Danube, which was launched in 1978. In 1989 Hungary stopped work on its side citing environmental reasons, and in May 1992 it rescinded the 1977 agreement on the Gabcikovo-Nagymaros project. Czechoslovakia has continued building on its side and on October 24 it started to dam the Danube at Gabcikovo, provoking strong protests from Hungary.

The building of some structures at Gabcikovo will be suspended during the second EC expert commission's work, Julius Binder, director of the Vodohospodarska Vystavba enterprise which is building the project, told CSTK today. Until the EC commission publishes its conclusions, work will be stopped on the construction of the hydroelectric power plant at Cunovo and another three turbines will not be put into service at Gabcikovo as planned, Binder said.

On October 26, the first of the eight Gabcikovo turbines was put into operation to use up excessive water now flowing through the feed canal. Binder does not think

that the EC commission will be able to complete its work by November 15 as scheduled.

I will be glad if by November 15 the commission is set up on the basis of talks between the Czechoslovak Government and the EC, Binder said. He said that the original flow of the Danube at Cunovo is now spanned by a 15-m thick dam along which lorries carrying fine rubble for a filtration layer on the dam can already pass, Binder said. He noted that the report by the first EC commission, presented to the Brussels-based EC Commission on Saturday, only completed the previous positive assessment of the Gabcikovo project.

Premiers Against Early Signing of Visegrad Pact

AU0211134492 Prague CSTK in English 1521 GMT 29 Oct 92

[Text] Prague, Oct 29 (CSTK)—Czech Premier Vaclav Klaus today voiced reservations against binding the Czech Republic with the Visegrad Troika since it might have a negative impact on its contacts with other neighbouring countries such as Austria.

Klaus was speaking with CSTK on his return from Wednesday's [28 October] summit meeting of representatives of the European Community (EC) and the countries of the Visegrad Troika, a regional grouping comprising Czechoslovakia, Hungary, and Poland. The Czech and the Slovak Republics are expected to become independent members of the group, which was founded in 1991, after Czechoslovakia's split in January.

Slovak Premier Vladimir Meciar said that the countries of the Visegrad group have a common aim of entering the EC, but their political and individual interests are different. He said that Slovakia gives priority to a peaceful and dignified arrangement of economic coexistence with the Czech Republic, and made it clear, just like Klaus, that Slovakia is not going to sign any agreement in the framework of the Visegrad group in November.

Klaus said he supports trade liberalisation and a free trade zone between the three (four after January) countries, but added that the Krakow meeting (where the appropriate documents are to be signed) must be postponed. The signing of the documents would be premature, he said.

Klaus Favors Early EC Membership

AU0411152492 Duesseldorf HANDELSBLATT in German 4 Nov 92 p 9

[Report by "wff": "Klaus Prefers Early EC Membership to Free Trade Zone of Visegrad Group"]

[Text] Prague—According to the Czech head of government Vaclav Klaus, the Czech Republic could become a member of the EC in five years' time at the latest. In an interview with HANDELSBLATT, Klaus mentioned numerous criteria that his country fulfills even in comparison with some EC members. Slovakia, which wants to leave the joint federation on 1 January, does not perform badly in comparison with its neighboring countries.

The process of the dissolution of the Czechoslovak Federation, which continued during the past few days with the conclusion of specific agreements between Klaus and his Slovak counterpart Meciar will certainly not cause delays in establishing closer relations with the EC, the Czech head of government believes. Membership is not topical at present. He expressed the hope that the association agreement with the Community (European agreement), whose ratification was suspended by the EC because of the division process, does not need to be renegotiated. The trade concessions stipulated in the agreement, which were prematurely initiated in March this year through an interim agreement, will be extended. The Community promised that, Klaus pointed out.

The economist Klaus, who clearly supports the market economy, elaborated extensively on the reasons for the early establishment of closer ties with the EC. Geographically, historically, and culturally, his country belongs to Europe, Klaus stressed. The threshold from the old communist system to a really functioning society has been crossed in the Czech Republic.

His country stands comparison with some EC countries regarding numerous economic data. This applies to the liberalization of trade with third countries, for example, and to the liberalization and deregulation of prices. Another example of stricter rules even in some EC countries is wage indexation. In addition, his government is introducing an extremely modern and economical tax system, which is free from all historical burdens. In this connection, it is irrelevant whether the law enters into force a few months later and not on 1 January, as originally planned.

Even the only argument that is being used against an EC membership of the Czech Republic—that the level of economic development is too low—is not convincing. Thus, the difference between the EC average and the Czech Republic is certainly lower than the difference between the economic level of the Milan region and that of southern Italy, for example, or between Denmark and Greece.

Klaus, who first advocated the preservation of the Czechoslovak Federation but had to yield to Slovak's desire for independence, defends the economically weaker neighbor in Bratislava who has occasionally been accused of pursuing a less market-oriented economic policy. In the West, the differences concerning the economic situation and the economic policy of the two republics are often considered bigger than they actually are. There is not such a big difference between the Slovak, the Czech, and the EC's economic policy, Klaus stressed. If one compares Slovakia's situation with that in neighboring countries like Poland, Bulgaria, Romania, and even Hungary, there is no justification for

believing that Slovakia will be less democratic and less market-oriented than any of these countries.

The criteria for EC membership announced by the EC at its most recent summit meeting with Poland, Hungary, and the two republics of the former CSFR, the so-called Visegrad group, will not be adopted because of the differences of opinion within the EC, Klaus believes. Still, the proposal made by the Polish head of government Suchocka is useful.

The Czech head of government apparently thinks little of the classification of countries into certain categories, such as the Visegrad group. He does not want to be placed in a certain corner or to be subject to some kind of artificial integration. He was also critical about the planned free trade agreement among the Visegrad countries. The timetable of eight years is irrelevant if his country wants to join the EC in five years. The free trade zone is very limited and fragmentary. He tried to convince his Hungarian and Polish counterparts Antall and Suchocka that one must furnish proof of one's ability to liberalize trade if one wants to become a member of the EC, Klaus pointed out.

Klaus renewed his reservations against the Maastricht treaty on European union. In his view, its major contents are not topical in the foreseeable future.

Czech Foreign Minister Discusses EC Entry

AU0411114792 Duesseldorf HANDELSBLATT in German 3 Nov 92 p 14

[Report by "wff": "Prague Wants Clear Criteria for EC Entry"]

[Text] Prague—The Czech Government assesses the results of the most recent London summit between the EC and the so-called Visegrad group—including the two Czechoslovak Republics, Hungary, and Poland—by no means as a failure, despite the fact that the EC refused to set a fixed date for the EC membership of these states.

The Czech minister for international relations, Josef Zieleniec, stated this in an interview with HANDELSBLATT. After the elections in June this year, Zieleniec received a mandate from the National Council, the Czech parliament, to organize the Foreign Ministry for the time after the division in a Czech and a Slovak Republic, planned to become effective on 1 January 1993.

Zieleniec expects the EC to draft clear criteria or conditions for entry into the EC. Basically, EC officials promised to do so by the next EC summit scheduled to take place in Edinburgh on 10 and 11 December. Concerning the fixing of an exact entry date, Zieleniec was skeptical. This might even be a risk because the ability to join the EC depends on the development of every individual country. The designated Czech foreign minister is quite self-confident as far as the development of his own republic is concerned. The Czech Republic wants to be one of the first countries after the states of the European Free Trade Association. Talks with Austrian and Sweden will probably start as early as in January 1993; that is considered fit to join the Community. Zieleniec believes that the three, and in the near future—after the division of the CSFR—four, Visegrad countries might join the EC at different points. Criteria will be decisive. It is not so important to join the Community as a group, the minister stated.

That applies in particular to Romania and Bulgaria. The EC is currently in the process of negotiating comprehensive association agreements (European agreements) with these countries, as have been concluded, but not yet ratified with the Visegrad group. At the first joint foreign ministers' meeting between the EC and the Visegrad group in Luxembourg a few weeks ago, it became clear that Hungary, Poland, and the two Czechoslovak Republics want to proceed faster on the path toward the EC than Romania and Bulgaria.

Despite his priority for clear entry criteria, Zieleniec still continues to consider the opening of talks with the EC as early as in 1996 desirable, with the aim of joining the Community around the turn of the millennium. Talks might be linked with a specific timetable. Apart from that, he is quite aware that the main work to fulfill the entry criteria must be carried out at home. The Czech Republic is willing to do that.

Zieleniec does not consider as a big problem the delays that the division process might cause in the implementation or the revision of the European agreement concluded between the CSFR and the EC. Certain delays also occurred in the adoption of the new competition law and the introduction of the value-added tax because of the division process. On the other hand, the foreign minister referred to the specific agreements concluded between the Czech and Slovak heads of government Klaus and Meciar, including details for a joint customs union or an agreement on monetary relations. They are to be seen as a buffer for the implementation of the partition. If it should not be possible to maintain a fixed exchange rate between the two currencies because of different economic developments or because of different economic philosophies, it will simply be changed.

Zieleniec does not see any dramatic costs resulting from the division of the Czechoslovak Federation. Quite the contrary. The partition will pay for itself, the economics professor stated, referring to—as he believes—current complicated structures and procedures. The foreign representations, for example, might be used jointly during a certain transition period. Unresolved questions, such as the division of public property and of the Army, are currently being settled. Zieleniec believes that in the sphere of foreign investments, too, the division process will not lead to serious reservations.

Good progress can be seen in the implementation of the reform process. Referring to the trade concession granted by the EC, Zieleniec was extremely critical. His

country is a teachable pupil concerning the introduction of the market economy. However, the markets for products that the Czech Republic can offer competitively are closed for his country. In the European agreements, the EC agreed on the asymmetrical development of a free trade zone with the Visegrad countries and initiated the gradual liberalization of trade—earlier than originally planned—in March this year. Yet the Community maintained considerable restrictions for so-called sensitive products, including steel, coal, textiles, and agricultural products.

Split Will Not Effect Czech-EC Relations

AU0511123492 Prague CSTK in English 1618 GMT 3 Nov 92

[Text] Prague, Nov 3 (CSTK)—Czech Minister of International Relations Jozef Zieleniec today told journalists that practically nothing should change in the relations between the Czech Republic and the European Community (EC) after January 1, 1993, when Czechoslovakia is to divide into independent Czech and Slovak Republics. According to Zieleniec, the provisional agreement on trade and the issues connected with it, concluded between the EC and Czechoslovakia with the aim to ensure favorable conditions for Czechoslovakia's exports and imports till its association agreement is ratified, will be in effect until the time when something new is agreed upon.

We hope that this new agreement will be an association agreement, Zieleniec said and added that the recent statement by EC Commission President Jacques Delors about an association agreement between the Czech Republic and the EC to be renegotiated before its signing evidently concerns technical and not political aspects.

After Czechoslovakia's division the EC is to conclude association accords formally with different entities—the Czech and Slovak Republics, said Zieleniec. However he recalled that both republics have pledged to comply with the agreed international commitments in an agreement on a customs union signed by Czech and Slovak premiers October 29 in Prague.

Austrian Minister Discusses Economic Issues

AU0411115492 Prague CSTK in English 1515 GMT 2 Nov 92

[Text] Prague, Nov 2 (CSTK)— Austrian Economics Minister Wolfgang Schuessel met today with Czech Republic Economics Minister Karel Dyba to discuss concrete proposals for broadening Czech-Austrian ties.

Schuessel, who is in Czechoslovakia on a working visit, presented Dyba with a proposal for cooperation in supporting small businesses as well as funding for education. The two ministers also discussed cooperation between Austria and Czechoslovakia in the field of tourism, according to a ministry spokesman. Dyba informed his Austrian counterpart about the nuclear plant at Temelin, saying that the project was ecologically and environmentally sound, and that the problem was not as drastic as earlier presented.

The meeting, which lasted just under an hour, was also attended by Austria's ambassador to Czechoslovakia, Karl Peterlik. Schuessel, after meeting with Czech Premier Vaclav Klaus, told CSTK that there were no bilateral problems between Austria and the Czech Republic. He said prospects for economic cooperation were best and added that total trade between the two republics had risen by 60 percent during the first eight months of the year. Economic agreements between Czechoslovakia and Austria will remain in effect after Czechoslovakia's division, Schuessel said.

As concerns the Gabcikovo dam dispute between Czechoslovakia and Hungary, Schuessel said the issue was not the subject of our (Czech Republic's and Austria's) bilateral talks. The Austrian economics minister said Austria was ready to aid Central and East European Countries in the search for alternatives to nuclear energy. We renounce the use of nuclear energy, even for peaceful purposes, Schuessel said.

Meanwhile, Czechoslovak and Austrian cement producers' unions are meeting to discuss the raising of Czechoslovak cement exports to Austria. Current Czechoslovak cement exports total 200,000 tonnes annually.

The unions are so close to an agreement that it is important that it be concluded, Schuessel said before leaving Prague. He added that there are about 1,500 joint ventures with Austria in the Czech Republic and about 600 in Slovakia.

Parliament Committees Recommend Draft Law

LD0311221392 Prague CSTK in English 2008 GMT 3 Nov 92

[Text] Prague, Nov 3 (CSTK)—The Finance and Budget Committees of both chambers of the Federal Assembly (parliament) and the Social Benefits Committee of the House of the People today recommended that the Federal Assembly approve a government draft law on the division of Czechoslovakia. The Social Affairs Committees of both houses withheld their recommendation.

According to the draft law, the Czech and Slovak Federal Republic will disappear on December 31, 1992. According to Article 2 of the draft law, all federal bodies are to cease operations on that day as well as the Armed Forces and state organisations receiving federal funding. The last article also permits the Czech and Slovak Republics to conclude international agreements before the division of the federation, in their own name, to take effect after December 31, 1992.

Miroslav Grebenicek, of the Left Bloc, called the government proposal a manifestation of cynical pragmatism. He asked what would happen if the draft law were not approved. Federal Deputy Premier Miroslav Macek

answered that while he did not know, he thought the Federal State was already collapsing by itself and any decision could only slow this. He said that whether parliament approved the draft law or not, the federation would split on January 1, 1993.

Article Outlines Government Policy Statement

AU0411143292 Bratislava NARODNA OBRODA in Slovak 3 Nov 92 pp 1, 3

[Article by "mh" on "substantial ideas" from the CSFR Government policy statement submitted to the sixth meeting of the Federal Assembly: "A 60-Day Program"]

[Text] After the stalemate situation within the Federal Government in connection with the Gabcikovo dam project and other problems in the Federal Assembly, doubts have appeared as to whether these bodies will survive until the end of the year. However, the risk of an unconstitutional division of the CSFR is too great. This is why the Federal Assembly has put the debate on the CSFR Government policy statement as the sixth item on its agenda today. We present the most important parts of this policy statement.

The preamble respects the fact that, through political agreements of the coalition partners, the principal differences over the future constitutional arrangements have been overcome. The development is heading toward two independent states. Since the original policy statement was adopted, the Federal Government has consistently fulfilled its most important obligations: it has continued the process that began in November 1989, significantly reduced the number and size of federal institutions, and provided the conditions for the functioning of two states with international status.

Some tasks have ceased to be topical. They are, for instance, questions related to the ownership of the transit crude oil pipelines, the gas pipelines, the electricity grid, the law on budgetary rules and the federation's budget for 1993, and others.

Despite intensive foreign policy activity, the fuzziness regarding the constitutional setup has had a negative impact, which has resulted in the fact that the European Parliament and the parliaments of EC countries do not intend to ratify the CSFR's Association Treaty in the very near future.

The transformation of and preparations for the division of the Army are continuing. On the Slovak Republic's territory, 27.9 percent of troops are stationed, and, as of 1 October, conscripts will be recruited on the republic principle.

Following the Federal Assembly's demand, the government will draft a program of measures to be taken against the uncontrolled and unconstitutional disintegration of the federation, and a concept for cooperation between both republics after the division, particularly in the sphere of foreign policy, defense, currency, financial policy, customs policy, transportation, telecommunications, and movement of people—and, possibly, in coordination of the general economic policy. (Editorial note: These issues have been solved, more or less, through the signed coalition treaties, and in other treaties that are in preparation.)

In the legal sphere, the government will draft and present in the Federal Assembly a constitutional bill on dividing CSFR property and on the transfer of assets, rights, and obligations to both republics.

In foreign policy, until the end of the federation, the government will be ensuring unified representation abroad and creating favorable conditions, for both republics, for extending their participation in international relations, their speedy international recognition, and establishing diplomatic relations after the termination of the federation.

Contacts with our closet neighbors are among the priorities. As regards the agreement with Poland and Hungary on the establishment of the free trade zone, representatives of both the Czech Republic and the Slovak Republic Governments have participated in final talks. The positive aspects of the centuries of coexistence with Germany and Austria will continue to be the basis for good neighborly relations. We are also interested in developing cooperation with Ukraine. The shaping of the landscape of the new Europe's is impossible without the active participation of the United States. The government ascribes great importance to friendly relations with this superpower. We will also make efforts to have good political and economic relations with Russia.

From the economic viewpoint, our relations with the IMF, the World Bank, the European Bank for Reconstruction and Development, and GATT are very important. When filling diplomatic posts, the parity principle will be consistently applied.

In the sphere of defense and security, the government wants to intensify measures taken to protect constitutionality and order within the country, and to suppress crime. It will stress the professionalization of the border police, with the aim of acting against the illegal transit of people across the borders. In cooperation with National Committees it will seek to build new and modernize existing border crossings.

In connection with the division of the Army, condition will be created to from republican controlling bodies, and train military experts. It will draft treaties, which will ensure the functionality and cooperation of the armies in both republics, for instance, in military training, repairs, supplies, etc.

In the sphere of economic policy, the government intends to continue the process of fast and transparent privatization, develop new market relations, finalize the institutional and the legal framework for the functioning of the market, stimulate the development of private enterprise, and stress regional policy. It wants to

encourage the influx of foreign capital, and, in accordance with the signed treaties, to create the preconditions for the establishment of a customs union and other spheres of cooperation.

No 1993 federal budget is envisaged any longer. Its expenditure will be transferred to the national budgets, including expenses ensuing from the CSFR's membership of international organizations. The government will push to implement tax reform.

The government will support the Czechoslovak State Bank policy oriented toward monetary and exchange-rate stability, and the internal convertibility of the koruna. Personal savings and property must not be jeopardized by the new constitutional arrangements.

When liberalizing prices, the government wants to respect the interests of the people and not to allow higher inflation. The development of prices must not disturb, in a fundamental manner, the economic relations between the two independent republics. As privatization progresses, wages will be gradually liberalized, but this must not negatively influence prices.

Privatization remains the main priority—particularly the completion of the first wave of privatization, the creation of preconditions for the establishment of a secondary capital market (a securities market), assistance to privatized enterprises when seeking suitable foreign partners, and a smooth transfer of privatization to the republics.

The last part of the government policy statement applies to humanitarian and social issues.

Cabinet Approves Bill on Property Division

LD0411230692 Prague CSTK in English 2020 GMT 4 Nov 92

[Text] Prague, Nov 4 (CSTK)—The Czechoslovak cabinet today approved a draft constitutional law on the division of federal property between the Czech and Slovak Republics. The draft law will be presented to the current 5th session of the Czechoslovak Federal Assembly (parliament) today. The bill sets a constitutional framework for dividing federal property between the republics in the case of Czecho-Slovakia's breakup, when the Czech and Slovak Republics become successor states. The validity of the bill, once it becomes a law, is dependent on its prior acceptance by both republics.

The two main principles under which federal property will be divided are the territorial principle and the 2:1 ratio, according to the population in each republic. The draft law also provides for a mixed Czech-Slovak commission to oversee the observance of the law next year.

Czechoslovakia's financial obligations to international financial institutions will be divided between the two republics according to a formula set by the International Monetary Fund.

Also today the federal cabinet approved a draft law on securities. According to Federal Premier Jan Strasky, the government renounces state control of the securities market, but insists on operating a state register of all securities' owners.

Final Accounting of Property Fund Approved

LD0411221892 Prague CSTK in English 1712 GMT 4 Nov 92

[Text] Prague, Nov 4 (CSTK)—The 5th session of the Czechoslovak Federal Assembly (parliament) today approved a law on the final accounting of the Federal Property Fund for 1992 in addition to a law covering precious metal dealers.

The total activity of the fund in the last quarter of the year reached more than 10,500 million crowns (375 million USD [U.S. dollars]). The majority portion of the property, totalling about 8,500 million crowns (304 million USD) is reserved for the center for coupon privatisation. Other portions of the property fund totalling some 341 million crowns (12 million USD) have been set aside for restitution to individuals whose property was confiscated under the communist regime.

Parliament deputies also approved a law covering the activities of individuals who sell or market precious metal goods. The law outlines the rights and obligations of such individuals and defines the terms precious metal goods, domestic goods, foreign goods, old goods and antiques among others.

Deputies rejected a draft law on the elimination of the Federal Security and Information Services (FBIS), which was to have ceased operations December 31, 1992.

In the Czech part of the House of Nations, 19 out of 59 deputies voted for the bill, while in the Slovak part only 2 out of 52 deputies voted did the same. The House of the People passed the measure, with 69 out of 110 deputies in the chamber voting for the bill.

Czech Prime Minister Views Current Issues

LD0311230792 Prague Stanice Praha Radio Network in Czech 1805 GMT 3 Nov 92

[Regular weekly interview with Czech Premier Vaclav Klaus by Vaclav Musilek; place and date not given—recorded]

[Excerpts] [Musilek] Mr. Prime Minister, on the night of 1 November the Czech Government discussed the draft constitution. You will continue tomorrow. Will the government arrive at a final version of the proposal which will be an expression of political will of the coalition?

[Klaus] Well, certainly the government is heading this way and I repeat again that I do not understand the somewhat impatient attitudes of some, either politicians or journalists, because a constitution is normally created to last a long time. That is the first thing. Second, what

kind of a constitution? We have varied interests in this country. The constitution may include only what we are capable of agreeing about. We should all accept this. This means—I don't like to call it a minimalist constitution—I wish that the minimum will be as big as possible but in any case the constitution may include only what can be agreed by consensus. Simply, if we are not capable of agreeing on the bad chart of basic rights and freedoms—so the only possibility is that it will not be there [sentence as heard]. This is not because I will try to correct it and the Left Bloc will insist on its staying as it is; I think it simply cannot be there. If I think that dualism of the emergent Czech state should not be created, then the Moravian side, that is the Movement for Self-administered Democracy of Moravia and Silesia, must simply accept that it cannot be in the constitution, but we should both accept that the constitution should exist and that it should include those things we are capable of agreeing about: division of powers between the legislative, executive, judicial components and so on.

[Musilek] You and Prime Minister Meciar signed 16 agreements on cooperation between the Czech and the Slovak republics last week. The most significant one, perhaps, is the agreement on customs union. To what extent its implementation is tied to introduction of the new tax system as of 1 January in both republics, that is, to what extent the direct introduction of this tax system is jeopardized?

[Klaus] In this sense the agreement on customs union is completely immune. There is no immediate connection [words indistinct] The problem would be if we wanted to introduce the new tax system in only one of the republics. That could present a problem. But whether or not we introduce both is completely indifferent for the customs union [sentence as heard].

[Musilek] In the past few days there has been discussion on the topic of the rest of the concluded agreements, that is the currency agreement, in the sense that it is primarily a political agreement, that if one thinks on, above all, the economic level, the Czech side could not conclude it. The arguments include a threat to the independence of banks, a threat to the currency, the danger of the growth of inflation, and the exhaustion of foreign currency reserves. In your view, are these dangers real?

[Klaus] One thing is what the dangers are, but, in particular, I must reject the statement that the agreement is a political and not an economic one. This is simply not true. If it were a political agreement, it would be a mistake, and as an economist I could not agree with this agreement for a second. This is a highly economic agreement, because this agreement chose between whether there are greater threats stemming from some things that you have mentioned just now, or whether greater threats stem from the enormous impact of the immediate separation of the currencies, and that is limitation of mutual trade between the Czech and Slovak Republics with shortfalls of deliveries, that is with shortfalls in production, in employment in Slovak enterprises, but, of course, also in Czech enterprises [sentence as heard]. So the agreement on currency arrangement is a highly economic agreement. There is no political element in it at all. [passage omitted]

[Musilek] But so far the conditions under which the agreement may be abrogated have not been stipulated there. Do you think that they will be discussed at Zidlochovice?

[Klaus] Certainly not. We have simply globally set out the conditions on how to treat this agreement, and we will not talk in Zidlochovice about currency agreements at all, it will not be tabled at all. We have 10 other agreements, even such significant ones as the division of the Army, the prevention of dual taxation, and a large number of other things, a kind of a framework agreement on friendship and cooperation between the two neighboring countries, so that I think that the currency agreement will not be mentioned at all.

[Musilek] I will not ask you now as prime minister, but as chairman of the Civic Democratic Party [ODS]. Its congress is being prepared for Saturday. What results should this congress produce? So far, contradictory information has emerged about what should be discussed at the congress, what changes it should bring. Could you throw some light on the matter?

[Klaus] Well, I do not know about any revolutionary changes. I know that journalists must try to find something new everywhere, cost what it may. I think that, on the contrary, the congress should confirm the current policy line and the general line of the ODS. It should assess the enormous government success, which we have had. It should try to learn from it and to proceed from there. The congress, as one of its topics, will also have partial [word indistinct] statutes of the ODS [passage indistinct].

We have now found out that some things in the statutes are useful, and some are a little less useful, so that we even had some kind of the first day of the deliberations of the congress [sentence as heard]. The congress is divided into two parts: The first round of talks was held at Hradec Kralove 14 days ago and it was totally dedicated to the statutes, so that a new version of the statutes emerged from this session. I would be very glad if it were accepted and I would be glad if the first round of talks was in fact the final one, so that we need not spend the whole day of the congress talking about the statutes again. So the topic, of course, is the statutes and, apart from general internal political discussion, the election of the new organs and leadership of the ODS. But to expect any change in the political line—maybe some delegates will prefer certain people in the Executive Council and may vote in a slightly different way than they voted a year and a half ago, but there is certainly no news about the change of the entire ideological leaning of the party or different ideas on the course of certain processes in our country.

Czech Parliament Faces Three Major Tasks

LD0311183292 Prague CSTK in English 1205 GMT 3 Nov 92

[Text] Prague, Nov 3 (CSTK)—The Czech parliament now has three major tasks—approval of agreements with Slovakia, a Czech Constitution, and the Czech State's first state budget, Czech Premier Vaclav Klaus told CSTK today. Klaus took part for the first time in a meeting of the parliament's chairman, deputy chairmen and chairmen of deputies' political groups.

On the state budget, he said that it is being created as if from scratch, which makes the work on it difficult. Klaus said he asked the Czech parliament to make November the month of approving the agreements, and December the month of approving the budget and the Constitution. He pointed out that all political parties must understand that they cannot assert in the Constitution on what consensus is impossible.

On Sunday [1 November], the Czech Government discussed a draft Constitution worked out by its Commission of Experts. After the meeting, Klaus told journalists that even though not all problems have been ironed out, he hopes the draft could be submitted to the parliament by the end of the week.

Klaus Denies Withdrawal of Support for Havel

LD0411181392 Prague CSTK in English 0927 GMT 4 Nov 92

[Text] Prague, Nov 4 (CSTK) - Civic Democratic Party (ODS) Chairman and Czech Premier Vaclav Klaus last night denied a report by the Czech ARTERIA press agency that the ODS has withdrawn support for Vaclav Havel's candidacy for Czech president. The report as well as the prompt denial were broadcast by Czechoslovak television.

Referring to ARTERIA, Czechoslovak television said that according to unnamed ODS deputies to the Federal Assembly, Klaus sharply criticised former Czechoslovak president Havel's statements during his meeting with journalists on Monday. In the ongoing debate whether the Czech president should be elected directly or by parliament, Havel has advocated the former method, while the ODS is in favour of the latter.

In the meeting with journalists on Monday [2 November], Havel said on the idea of direct presidential election: The ODS is justified in feeling to be legitimate in playing a decisive political role in the country, and it can go against the grain for it that after the "laboriously" won elections, somebody else as a directly elected president scores an even more marked victory.

The ODS won the June elections in the Czech Republic, gaining about 33 per cent. According to the television report based on ARTERIA information, a new ODS presidential candidate could be the present Federal Premier Jan Strasky. Vaclav Havlik, ODS central secretary, told CSTK that the statement on the way of presidential elections, which was adopted by the ODS Executive Council on Tuesday, does not mean withdrawal of support for Havel. In the statement, the council rejected direct presidential election.

In an interview for Czech television last night, ODS Deputy Chairman Petr Cermak said: We have never considered any other presidential candidate but Vaclav Havel. Also last night, ARTERIA's Director Milan Hejl told Czechoslovak television by phone that his agency's report was based on an interview granted to ARTERIA and another two journalists by ODS deputy Ondrej Huml.

Other witnesses can prove the content of the discussion, Hejl told television. He stressed that ARTERIA's report said that the information is not an official stand of the ODS, but that it was obtained from individual deputies.

Kamil Kalina, deputy chairman of the ODS group in the Federal Assembly, told CSTK last night that the group distanced itself from the television report about the ODS withdrawing support from Havel. He said the ODS group did not discuss the matter on Tuesday.

Today's Czech daily "RUDE PRAVO" says that last night it asked Havel what he thinks about the ODS Executive Council's stand of Tuesday, in which it rejects a direct presidential election. Havel said: I cannot say anything about it at the moment. This is an opinion which I must think over, analyse. It is a legitimate opinion of a political party.

Havel on Political Differences

AU0411104492 Prague CSTK in English 1840 GMT 2 Nov 92

[Text] Prague, Nov 2 (CSTK)—Former Czechoslovak President Vaclav Havel told journalists today that his political cooperation with Czech Premier and chairman of the Ruling Civic Democratic Party (ODS) Vaclav Klaus may be successful without the two politicians backing away from their ideals.

Havel, whose candidature for the post of Czech president has been supported by the ODS, said that he and Klaus agree that the Czech State should be a democratic country with a stable political system and functioning market economy, capable to integrate into European structures as soon as possible. He said they differ only in views on the importance of individual aspects of the future existence of the Czech Republic.

As an example Havel gave his opinion of the Czech foreign policy which, he said, should not be confined to a principle of Czech interests but should be based on the feeling of broader responsibility. By pursuing general interests, we are to a certain degree gaining a good position in the world, thus serving Czech interests, Havel said. Klaus is aware of these things, but he puts less emphasis on them, he added.

Havel voiced concern over possible resigned selfishness and provincialism spreading in the Czech Republic as a result of hurt feelings over the end of the federation. At odds with the government concept for the Czech Republic' foreign policy, Havel said he would put greater accent on cooperation with Poland and Hungary. But it is not a matter of fundamental difference, he said.

Referring to a future Czech president, Havel said a disadvantage of a direct election of the first president for the Czech Republic would be that the post of the head of state would be filled later, which might negatively affect the Czech Republic's relations with other countries. If a president is to be elected by the parliament, he added, he could be elected yet by the end of this year.

Havel repeated reasons which, in his view, speak for a direct presidential election. He said most of the post-communist countries decided in favor of a direct election of their first president because such a president could become a stabilizing element in their changing political system and contribute to strengthening their international position.

The ODS in its realism and pragmatism is considering the disadvantages of the direct presidential election, said Havel. It would like things to be accomplished quickly and without big complications. If federal parliament deputies are transferred to a Senate, the envisaged upper house of the future Czech parliament, the parliament can elect a president immediately, Havel said.

Havel called a questionable solution the establishment of a first Senate of the Czech Republic by co-opting Czech deputies from the federal parliament.

Klaus: Economic Reform Has Crossed 'Rubicon'

AU0411120192 Prague CSTK in English 2100 GMT 2 Nov 92

[Text] Prague, Nov 2 (CSTK)— Czech Premier Vaclav Klaus, speaking at today's meeting of the World Economic Forum in Prague, said Czechoslovakia had already crossed the rubicon in its transition to a new economic system. Klaus said that in the liberalization of foreign trade and prices, Czechoslovakia was already comparable to most Western countries.

The World Economic Forum, a free association of leading politicians, banking and business executives, which was founded in Switzerland in 1971, opened its meeting in Bratislava November 2. Further sessions are being held in Prague starting today. The members will discuss further economic developments, the banking and energy fields, and problems in the development of transportation and communications networks.

Klaus said economic indicators coming from the statistical offices did not interest him much as they were mostly irrelevant by the time of their publication. He named his priorities as the maintaining of stability and the minimizing of losses during the process of Czechoslovakia's division. Klaus also said he was for keeping the closest possible ties between the soon-to-be independent republics.

At the forum meeting in Bratislava, Slovak Deputy Premier Roman Kovac said his government intended to build a Central European rail, highway and waterway crossroads linking the cities of Vienna, Gyor, and Bratislava.

Weiss: Meciar Does Not Aspire to Presidency

AU0511124092 Prague CSTK in English 1234 GMT 3 Nov 92

[Text] Bratislava, Nov 3 (CSTK)— Neither Slovak Premier Vladimir Meciar (HZDS) [Movement for a Democratic Slovakia] nor chairman of the Democratic Left Party (SDL) Peter Weiss aspires to the post of Slovak president, journalists learnt in Bratislava today. At an SDL press conference today, Weiss said that in a talk with him, Meciar most resolutely rejected the possibility of his (Meciar's) becoming president.

In an interview with CSTK, Pavol Kanis, SDL deputy chairman, said that his party no longer considers Alexander Dubcek its candidate for the post. We are very sorry for what has happened to Mr. Dubcek. In view of his great international popularity his chances for election would certainly be biggest, Kanis said.

In a car crash on September 1, Dubcek received serious injuries of the spine and chest, accompanied by complications of internal organs. He has underwent one spinal and two abdominal operations, and his condition is described as critical.

Kanis told CSTK that the SDL will appoint another candidate, but did not specify. Weiss added he does not intend to seek election. The Slovak president should be elected by the end of the year, Kanis said.

Charter 77 Concludes Formal Activities

AU0511122792 Prague CSTK in English 2132 GMT 3 Nov 92

[Text] Prague, Nov 3 (CSTK)—Charter 77, which arose on January 6, 1977 as an informal citizens' initiative in opposition to the communist regime, has played out its historical role and will cease its activities, past and current speakers of the movement announced in Prague today.

The authors of the original Charter 77 Proclamation, among them writers Ludvik Vaculik and Vaclav Havel and dissidents Zdenek Mlynar, Petr Uhl, Pavel Kohout, Jiri Nemec, and V.V. Komeda, founded the movement in response to the international pact on human rights, which Czechoslovakia signed in 1976. Its members bore witness to the abuse of power by the communist government and its violation of human rights, while remaining non-partisan and apolitical.

Charter 77's signatories initiated the 1989 Civic Forum movement, which in 1989 organized support to help overthrow the communist regime. Between 1977 and 1989, 1,883 citizens signed the charter. Some 25 later repudiated their signatures under government pressure. In that period, Charter 77 issued 572 documents.

Speakers of the movement called on all signatories to continue to meet, and spread the ideals of Charter 77. Its loose structure and working methods were suited to the totalitarian conditions under which it arose, creating a model which is no longer applicable to present day conditions, they said. The ideals of the inalienability of human rights and freedoms, worthy citizenship, mutual respect, dialogue, and tolerance, however, are still relevant today, stated the proclamation issued today.

Workers Demand End To Work on Nuclear Plant

LD0411233692 Prague CSTK in English 2119 GMT 4 Nov 92

[Text] Prague, Nov 4 (CSTK)—The trade union committee of the Tusimice power plant in North Bohemia today proposed that construction of the Temelin nuclear power plant in South Bohemia be stopped and all investments, earmarked for its completion, used to reduce the harmful effect on the environment by thermal power stations.

In a letter addressed to Czech Premier Vaclav Klaus, North Bohemian power industry workers said the Czech energy works will achieve a profit of 109,000 million crowns (3,892 million USD [U.S. dollars]) in 1992-97, of which 96,000 million crowns are to be used for environmental projects. While the rest would be sufficient for repowering power plants put out of operation, the completion of the Temelin nuclear power plant would cost at least 47,800 million crowns (about 1,700 million USD), the letter said.

The North Bohemian power plant workers said they had pointed out the economic consequences of the Temelin nuclear power plant's completion to Czech Economics Minister Karel Dyba last April. As nothing has changed since, they said in their letter to Klaus that Dyba is responsible for the continued squandering of financial resources for Temelin, obtained through the devastation of the North-West Bohemia mining region.

Antall Sends Election Greetings to Bush, Clinton

LD0411183192 Budapest MTI in English 1700 GMT 4 Nov 92

[Text] Budapest, November 4 (MTI)—Hungarian Prime Minister Jozsef Antall sent telegrams of greetings to U.S. President George Bush and President-Elect Bill Clinton on Wednesday [4 November].

In the telegram to Bush, Antall appreciated the 41st U.S. President's responsible and successful activity in a highly critical period of history.

"In the course of your highly appreciated presidency, the relationship between Hungary and the United States of America has grown into a real and honest partnership.

"It was a distinct pleasure for me that we developed a warm personal relation when exchanging views and sharing problems. Your support has widely contributed to the creation and strengthening of our system of democratic institutions and to establishing market economy. Our political, economic and cultural relations have reached an unprecedented intensity.

"Let me assure you, Mr. President, that the Hungarian people honor in you the politician who by courageous personal decisions helped the nations longing for freedom and made serious efforts in support of the democratic process in Hungary. I sincerely hope that you will retain your interest in our region. Hungary, I know, may count on your attention and friendship."

In the telegram to Clinton, Antall congratulated him on having been elected the 42nd U.S. president.

"I am convinced that the American people voted for a statesman whose record as governor guarantees the preservation of the best traditions in America.

"Let me assure you that Hungary will continue to take joint measures for the settlements of conflicts and establishing world democracy. Hungary is especially interested in these developments since East-Central Europe, which offered optimistic perspectives after the political transition, presently is the scene of severe conflicts.

"A bloody civil war is raging on our southern borders and the general situation in our region is unstable. Hungary, a small country that endeavors to create political and economic stability, is not in the position to overcome these difficulties by herself. Therefore, one of our most important goals is to join the Euro- Atlantic political, security and economic integration in the near future.

"I am convinced that the presence of the United States of America is the necessary precondition for European stability, the easing of tensions and the successful activity of NATO.

"I am well aware of your urgent tasks in the United States of America. I am convinced that under your leadership, America will prove to be successful also in the future. American economic prosperity is of vital interest for Hungary also, since in our endeavors to develop Hungarian democratic institutions, economic reconstruction and to establish market economy, we received significant assistance from the United States," Antall's telegram to President-Elect Bill Clinton says.

Slovakia Reportedly Organizing Offensive Army

AU0511125292 Budapest MAGYAR HIRLAP in Hungarian 2 Nov 92 p 3

[Correspondent's report: "Bratislava Is Organizing an Offensive Army"]

[Text] In accordance with its newest strategy toward the Central European region, Slovakia is preparing to form a strong army, one much bigger than its needs. Although Bratislava does not name any potential aggressor, it alludes to such an aggressor and thus it is not difficult to realize that Slovakia is preparing against Hungary. A speech delivered by Slovak Transportation Minister Roman Hofbauer at a mass rally of future heads of the new Slovak Army confirms this feeling. He said that the Hungarian lobby, as well as some journalists, were saying bad things about Slovakia, things that are harming Slovak interests, and it is "absolutely sickening even to listen to these journalists."

At the same meeting, Slovak Interior Minister Jozef Tuchyna, who is expected to become the Slovak defense minister, said that his country needs a defensive army as soon as possible. This is the only way for Slovakia to circumvent the reduction of army personnel stipulated by the Vienna Disarmament Conference and accepted by the CSFR, a stipulation that only allows some 40,000-45,000 soldiers for our northern neighbor. In addition, Slovakia would like to get hold of half of the CSFR air force: 115 combat aircraft and 25 helicopters. In addition, the future Slovak Army is planning to have 400 heavy artillery pieces, 500 tanks, and 800 armored personnel carriers. This equipment would be enough for a country twice the size of Slovakia, and it far exceeds the needs of any defense doctrine. Therefore, Slovakia is setting up an offensive army, something totally contrary to the international military agreements in the region. In addition, Slovakia is trying to filter out from its army every officer from the common CSFR Army, the army infected with the CSFR idea. In other words, the Slovak Army, which will not be a professional army for a long time, will be primarily based on the strong Slovak national feeling, and this is also proof of its offensive doctrine.

AWACS Not Threat To Defense Interests

LD0411175292 Budapest MTI in English 1540 GMT 4 Nov 92

[Text] Budapest, November 4 (MTI)—The NATO aircraft patrolling Hungarian air-space and monitoring Bosnian air-space under the Airborne Warning and

Control System (AWACS) do not threaten Hungary's defence interests, sources close to the Defence Ministry told MTI.

Since Hungary's most important military secrets, the plans for military operations, are guarded in safes, not even the NATO airforce have access to them. The patrolling aircraft have a good overview of Hungarian barracks, their exact location and the technical means of the Hungarian Army. This data, however, is not classified: Under the Paris Treaty, Hungary, like all the other signatory states, discloses these figures annually.

Official Views London Agreement on Danube

AU0511110292 Budapest MAGYAR HIRLAP in Hungarian 30 Oct 92 p 3

[Interview with Foreign Ministry State Secretary Janos Martonyi by Ivan Scipiades; place and date not given: "The Legal Violation Continues"]

[Text] Irrespective of the recent agreement in London, it is absolutely clear that the legal violation (by diverting the navigational flow of the Danube) is continuing. I do not think that anyone realistically thought that the Hungarian delegation would conclude talks in London by saying that the legal violation has ended. This legal violation is continuing, and the flow of the Danube is being obstructed; therefore, we must seek international legal assistance. The important thing is that the other side has accepted our proposal to turn to an international forum—Foreign Ministry State Secretary Janos Martonyi pointed out.

[Scipiades] Have the two sides reached a compromise in London?

[Martonyi] Regarding the essence of the debate, this is not a compromise but a procedural way forward. This debate should be decided through an international court of justice. We have agreed here on the procedure to follow, and not on settling the issues of the debate. Therefore, there is no point in asking who has won or who has not won or who has compromised. We had to defuse the situation and somehow create the way forward to further steps.

[Scipiades] It seems that the Slovaks have accepted the Hungarian-EC proposal made in Brussels last week.

[Martonyi] In a different form and with the addition of some very important new elements.

[Scipiades] In your opinion, what are these important elements?

[Martonyi] I regard Article No. 4 as the most important one, in which both sides undertook to take the issue, including all its elements, to a binding decision by an international court of arbitration or to the International Court in The Hague.

[Scipiades] What other international courts could we talk about in addition to the International Court in The Hague?

[Martonyi] There are various possibilities. We talked about the future compulsory court of justice to be created within the CSCE. If this mechanism is set up in the foreseeable future, we will perhaps be able to take the issue there, but international law also recognizes ad hoc courts of arbitration. The important thing is to make the procedure legally binding, so that both sides have to implement its decisions. I must say that the Hungarian side continues to favor the International Court in The Hague and we hope the other side will also accept this.

[Scipiades] How is it technically possible both to leave the river dam at Dunacsuny and to have the normal water level unchanged between Csuny and Szap, where the Bos by-pass canal flows into the Danube?

[Martonyi] The Slovak side has accepted responsibility for this in this agreement. They say that this can be achieved through the spillway engineering structure. According to the protocol, the entire quantity of water here will not be less than 95 percent of the Danube waters.

[Scipiades] In other words, those things that the Hungarian side found inexplicable at Brussels last week are now clear. The CSFR side offered at that time to leave the dam intact and to also leave the water level, and to reroute ship traffic to the by-pass canal.

[Martonyi] Obviously, there was such a proposal, but it appeared in another context and on its own, without other elements. Let us not forget that the London agreement also has a second, third, and fourth point. Thus, there is also a priority test, and this brings us back to the previous EC proposal. Unfortunately, the dam has been concluded in the meantime, and, therefore, the test no longer deals with whether the dam should be constructed or not, but it can deal with whether the status quo ante, that is, the situation prevailing before the dam construction, can be recreated or not.

[Scipiades] The navigational route has been diverted; in other words, something that Hungary has always rejected is now a fact.

[Martonyi] Irrespective of the London agreement, it is absolutely clear that the legal violation is continuing. I do not think that anyone realistically thought that the Hungarian delegation would conclude the negotiations by saying that the legal violation has ceased to exist. This violation is continuing and the Danube has been diverted; therefore, we must seek international legal assistance. The important thing is that the other side has accepted our proposal to turn to an international forum where both sides will be able to present all their demands, including those for compensation.

[Scipiades] Is this agreement in accordance with the decision of the Hungarian parliament made in April 1992, a

decision stipulating the abrogation of the contract and the restoration of the original environmental status?

[Martonyi] It is 100 percent in accordance with this because the last point in the protocol points out that both sides maintain their legal positions and rights. I think that the Hungarian parliament also accepts our decision to turn to the International Court in The Hague because the six-party coordination that took place in the meantime made it absolutely clear that everyone agreed with this decision. We submitted our claim to the International Court last week.

[Scipiades] How is this issue represented in the priority mechanism of the CSCE?

[Martonyi] The first step has been made, and the start of the second step depends on us. Actually, this depends on the future of the agreement initialed yesterday. First, this will depend on whether all sides will accept the agreement; second, whether all sides will regard it as binding; and third, whether all sides will fully implement the agreement. Then, we will be able to decide on whether to start the second phase.

[Scipiades] In a previous interview, you said that if Slovakia fails to implement the London agreement, the question might be raised as to whether an independent Slovakia will inherit the rights embodied in contracts signed with the CSFR.

[Martonyi] There is a legal argument to the effect that if Slovakia fails to accept responsibilities deriving from previous CSFR agreements, it should not receive rights either, but I find it much more important that the EC has thrown its full political and economic weight behind the agreement signed yesterday. I do not think that any side could allow itself not to honor this agreement. Let us clearly admit that, unlike us, the EC has some serious means to have this agreement honored. After the dissolution of the CSFR, the two new countries will have to renegotiate their association agreement with the EC. At the summit held on 29 October, Slovak Prime Minister Meciar said that Slovakia would like to be a full member of the EC, and it is counting on EC financial and economic support. Thus, there are things that carry a lot of weight.

[Scipiades] This explains, therefore, the fact that the Slovaks agreed to things they had previously rejected.

[Martonyi] They received rather clear political signals from Brussels and London, and perhaps from elsewhere.

Parliament Adopts Law on Safety of Personal Data

AU0511090292 Budapest NEPSZABADSAG in Hungarian 3 Nov 92 p 9

[Article by Dr Laszlo Istvan Meszaros, parliamentary deputy of the Alliance of Free Democrats: "An Insight Into the Cards Held by the Authorities—the Law on Security of Personal Data and Publicity"]

[Text] The law on the security of personal data and the supply of information in the public interest adopted last week represents the beginning of legislative activity aimed at outlining the border between openness and secrecy. It focuses on the issue of screening: The extent to which the state and the citizen may be screened. This issue also emerged recently when the prime minister was distributing "envelopes" to the Smallholders Party deputies or when the minister of education and culture prevented a parliamentary subcommittee from taking a look at the documents of the former State Office for Church Affairs. The same applies to the entire III/III issue as well as property declarations.

Regarding the personal sphere, the law is based on the right of informational self-determination. Everyone can decide who to supply with information about his personal or property status, and everyone has the right to check on the use of such data. Everyone has the right to know who has what records about him and why. Everyone can demand the destruction of illegal records. Naturally, there are a lot of exceptions to this rule. For example, the supply of information is essential for records of national importance, such as army, address, social security, and tax records. However, only local self-government regulations can stipulate such obligations on the basis of laws or legal licenses, by determining the exact nature of the information in question. Thus, local government institutions cannot collect every piece of information that, in their view, is necessary to "carry out their work." Another guarantee is that even a legislator can only ask for records absolutely necessary for his goal. In my opinion, for example, the obligation to provide data on one's property is a disproportionally gross interference in one's privacy, unless it is definitely linked to the collection of property tax. (In any case, in addition to the current tax burdens, the introduction of property tax would be immoral.) It is also important that data can only be used for the purpose for which they were originally collected. Thus, it has become illegal for any office to decide to make extra income by selling its records, unless, of course, the person in question gives his consent to this.

The law on the freedom of information means nothing less than the citizen having the right to gain direct access to the records of those bodies that are engaged in state or local self-government work. This is an indispensable means of gathering information on public issues and of controlling various offices, politicians, and the government. This also means that politicians and officials, who are paid with taxpayers' money, have to account for their public activities.

Just like everywhere else, exceptions are the main issue here too. After a long debate, the opposition has succeeded in preventing the future possibility of an open limitation of this freedom because the original proposal contained a very wide range of exceptions. The final text,

however, lists certain concrete areas in which such limitations can exist, such as in national security, defense, and crime prevention. It is important that, here too, there should be no blanket secrecy, but the exceptions must be outlined in the relevant laws according to the type of information in question. No area or institution can be fully exempted from screening. Thus, not every defense issue is automatically secret. Citizens, too, will have the right to ask the courts to examine the justification for any secrecy. If, for example, someone wants to examine documents prepared about him by the secret police of the former regime and his request is denied because the documents in question are a state secret, the person in question can turn to the courts to have his curiosity satisfied. On concrete issues, the courts will examine whether providing the necessary information to the person in question could really seriously threaten the interests of the republic. If not, the courts will order the opening of the records in question. As a result of another modification, it will be possible to prevent the situation in which politicians hide from citizens' inquiries about their public activity by claiming to be safeguarding their personal rights.

In conclusion, the newly adopted law also has a broader aspect. In the current tense political atmosphere, an almost unanimous adoption of a law that requires a two-thirds majority is proof of the emergence of wise and practical compromises. Every parliamentary party can regard this law as its own. Even if we are aware of its shortcomings, we should not forget that this is only the first step. We would like to believe that this result will give hope to those who, irrespective of their political or other affiliations, see the agreement as a desirable means of dealing with basic issues.

Official Interviewed on Crime Situation

AU0511104492 Budapest MAGYAR HIRLAP supplement in Hungarian 4 Nov p II

["B.K."-signed interview with Istvan Balatoni, deputy criminal investigation director at the National Police Headquarters; place and date not given: "Increase in Crime Is a Direct Result of Economic Restructuring"]

[Excerpts] [passage omitted] [MAGYAR HIRLAP] What is your opinion on the efficiency of the struggle against crime?

[Balatoni] We need a short analysis of the crimes and their perpetrators in order to determine this. After a more than 50-percent increase in the number of registered crimes, the number stood at below 30 percent last year, and only 10 percent in the first six months of 1992. Regarding the regional distribution of crimes in Hungary, we can say that Budapest preserves its leading position, with almost one-third of all the crimes committed in Hungary. There has been a change in the composition of these crimes, and crimes representing a bigger threat to society have gained ground. The organizational level of these crimes has increased, and so has their international character.

[MAGYAR HIRLAP] What types of crime have priority today?

[Balatoni] The number of crimes against property has increased within the recorded crimes. In other words, the number of crimes against private property, like larceny or robbery, makes up 80 percent of all the crimes in Hungary. It is also a fact that crimes against property are mainly committed against personal property. The number of burglaries increased almost five times in the last 10 years. These burglaries were mainly aimed at private houses, weekend houses, shops, storage facilities, and offices. The various groups of burglars mainly concentrated on cash, jewels, works of art, and technical appliances and carried out their acts with thorough planning and professionalism, mostly in a series of burglaries. The victims were mainly entrepreneurs, doctors, and lawyers. Unjustified damage, setting fire to the location, or the senseless destruction of various valuable items frequently accompany these burglaries.

[MAGYAR HIRLAP] Often the less expensive private cars are also threatened.

[Balatoni] Indeed, car thefts have increased considerably, and this trend continues to increase. Some of the cars are stolen exclusively for private use, while the Eastern European models are taken apart and sold as spare parts. [passage omitted]

[MAGYAR HIRLAP] What can you tell us about the number of thefts?

[Balatoni] This has also increased, but the methods are still traditional: These crimes are committed occasionally, after a short meeting in some bars, making use of the fact that the victim is drunk. There is an increasing use of various sprays. The number of armed robberies and highway robberies is also increasing, and we lag behind considerably regarding our security technology because these serious crimes are mainly committed against financial institutions, post offices, money transports, and gas stations.

[MAGYAR HIRLAP] How would you describe the criminals?

[Balatoni] Crime investigation organs have to deal with 120,000-130,000 criminals a year. There has been a 14.6 percent increase in the number of criminals in the first six months of 1992, more than the whole year of 1991. There is a continuous supply of new criminals because the percentage of young criminals increased at the same time as the percentage of child criminals who cannot be sentenced. It is a major task for the Hungarian Police to discover the unknown criminals because these cases increase along with the general increase in crime. We succeeded in discovering 40 percent of the registered cases in the first half of 1992.

[MAGYAR HIRLAP] What can we expect in the future regarding the number of crimes?

[Balatoni] Given the current situation, the future will not be more favorable either; the processes can only be reduced but not stopped altogether. The experience of modern European states shows that crime does not diminish automatically even under favorable social and economic conditions.

Statistics on Production, Inflation Reported

AU0511112892 Budapest MAGYAR HIRLAP in Hungarian 4 Nov 92 p 10

[Correspondent's report: "The Latest Report of the Central Statistical Office—Decreasing Production, Slowing Inflation"]

[Text] Industrial production in all sectors is dropping rapidly. At the same time, the pace of the drop is slower than that recorded this time last year. According to statistics for the first eight months of 1992, the biggest drop has taken place in the engineering industry and metallurgy, and the smallest drop occurred in electric energy and the food industry.

Industrial exports were still increasing in the first six months of 1992, but they dropped in July and August. Within this, exports of metallurgical products in the first eight months of 1992 exceeded those of the same period in 1991 by 6 percent. Exports of aluminum metallurgy increased in the first half of 1992, but they, too, dropped in July and August.

Engineering exports dropped by 20 percent. The reason for this is that the Hungarian telecommunication and transport sectors are finding it increasingly difficult to sell their products abroad. Building material exports increased by 44 percent, and light industry exports increased by 13 percent.

The slowdown in the inflation rate is continuing, and if we only look at the consumer price index, we can see a 15.5 percent increase in consumer prices in the first nine months of 1992. This is a considerable decrease compared with the level prevailing in 1991, when the inflation rate stood at 28.3 percent in the first nine months of that year. This drop in inflation is the result of opposing trends. The prices of some popular food stuffs were lower in August 1992 than in summer 1991. The price of fresh citrus fruit dropped by 11.2 percent, and the market price of potatoes dropped by 4.4 percent. Similar phenomena can also be observed in the case of industrial products.

Compared with last year, the price of television sets dropped by 2 percent, and the price of fuel oil dropped by 12.2 percent. At the same time, the price of school textbooks increased 4.2 times, and the price of pharmaceutical products increased by 50 percent.

While the rate of increase in consumer prices stood at 18.3 percent for the same period last year, this year the same rate stood at 9 percent. Energy prices, including electrical energy, hardly changed, and these are decisive factors in terms of inflation expectations. The 20-25 percent inflation forecast by the government seems to be holding, and, according to experts, inflation will not exceed 23 percent by the end of 1992.

President, Officials Assess Clinton Win

LD0411142892 Warsaw Third Program Radio Network in Polish 1300 GMT 4 Nov 92

[Text] President Lech Walesa wishes U.S. President-Elect Bill Clinton determination and consistency in implementing his vision of a new America that he and his generation embody, Andrzej Drzycimski, presidential press spokesman, said. The spokesman said that the election results prove that a new generation has won in the United States, a generation that wants, thinks, and seeks new methods for resolving its internal situations. We hope that this generation will be a guarantee of what the U.S. has achieved in the struggle with the previous system.

There is not yet any basis to judge that the Clinton administration will be less well-disposed toward us than the Bush administration, Finance Minister Jerzy Osiatynski said. He admitted that over the period of the Bush presidency Poland has taken advantage of the particularly friendly disposition of the U.S. Administration.

Janusz Korwin-Mikke, chairman of the Union for Real Politics, said that Clinton's victory over Bush has no sigficance for Polish interests. Korwin-Mikke feels Clinton's win is significant in light of the U.S. congressional elections that the Democrats carried. The United States and Western Europe will be rivals in building socialism, and this is sad, Korwin-Mikke said.

Nuclear Weapon Components Smuggling Suspected

LD0511062292 Warsaw TVP Television First Program Network in Polish 1830 GMT 4 Nov 92

[Excerpt] Polish special services suspect that a channel for smuggling nuclear weapons components is going through Poland from the former Soviet republics. According to them, this threatens the security of the Polish state and undermines its basic political interests. Assurances that nuclear weapons behind our eastern border have been under full control of the authorities there are not considered credible. The Polish special services have had four reports so far on the sale of post-Soviet nuclear warheads on our country's territory. [passage omitted]

Black Market Reported

AU0511090492 Paris AFP in English 0141 GMT 5 Nov 92

[Text] Warsaw, Nov 5 (AFP)—Polish intelligence services heard of four offers to sell a nuclear warhead this year and take "very seriously" the threat of a black market in atomic weapons, Polish television said in a report late Wednesday [4 November]. Intelligence officers said Poland had become the main transit country for weapons-grade radioactive material smuggled from the former Soviet Union.

The Polish agents "tried four times" in 1992 apparently without success to intercept "nuclear warheads supposedly based in Poland" and which had been offered for sale at one million dollars apiece. One of the offers came from Legnica, formerly the site of the main Soviet military base in southwestern Poland. The other three offers came from northern Poland, the television said.

Recently, German police have foiled several attempts to smuggle radioactive substances into Germany via Poland.

GNP Growth, Bigger Budget Deficit Foreseen

AU0211181892 Warsaw PAP in English 1919 GMT 27 Oct 92

[Text] Warsaw, Oct. 27—The government on Tuesday [27 October] adopted assumptions of the 1993 budget law, envisaging a deficit of 85 trillion zlotys (over 5.85 billion dollars), or 5.3-5.5 percent of the gross national product [GNP]. The inflation rate is to reach 38 percent annually and be lower than last year. The GNP is planned to grow by about 2 percent next year and real wages to fall by no more than 2 per cent. Prices will go up by 10 percent, which is less than this year.

Deputy Prime Minister Henryk Goryszewski refused to disclose to reporters the planned figures of budget revenues and spending. He also declined to comment on the unofficial figures (430 and 512 trillion zlotys, respectively) quoted by the press. He said the 3-million unemployment figure at the end of 1993, quoted by media, was overestimated.

Taxes are to be the main source of budget revenues (78 percent). The value added tax (VAT) will be among measures of essential importance for the implementation of next year's budget. Other measures include a 50-percent income tax from individual persons with the highest incomes. The government also proposed to reduce index-related increases of pensions from 100 to 91 percent of the average pay. Apart from taxes, customs duties are to be the main source of budgetary receipts.

Social expenditure and servicing of the domestic debt are to be the heaviest burden on the budget, all the more so that the internal debt is expected to grow.

Ministers will further work on respective sections of the budgetary draft until November 5, and the cabinet will examine the results a week later. The final version of the draft is to be submitted to the Sejm (lower house) by November 15.

Major Dailies Discuss Clinton Election Victory

AU0511102792 Bucharest ROMPRES in English 0947 GMT 5 Nov 92

[From the Romanian press review]

[Excerpts] Bucharest ROMPRES, 5/11/1992—The appointment of the new premier of Romania forms the main topic of the Romanian political scene commented by the 5 November central dailies. [passage omitted]

The Romanian press also devotes ample space to Bill Clinton's election as president of the United States of America. Besides carrying his profile for the information of the Romanian readers, one of the commentaries tries to anticipate the implications of a new team at the White House for the U.S. policy in Eastern Europe, Romania included.

ADEVARUL explains the interest taken by the Romanian public opinion in the US elections by the hope Romanians lay on a change of attitude towards Romania that might come with the change of the U.S. president. And this lies in the disappointment the Romanians have felt, no matter the motivations offered, at the denial of the most-favored-nation status to Romania, by which the U.S. Congress hastily tried to punish the Romanian people for its option at the recent elections, the fairness of which was acknowledged by all foreign observers."

ROMANIA LIBERA wonders if the election of Bill Clinton will "take Romania out of the gray, if not entirely blank, zone in which Romania has been abandoned since December 1989 by the US official policy. Our duty is to hope," the paper concludes. [passage omitted]

Senate President Congratulates Albert Gore

AU0511102792 Bucharest ROMPRES in English 0958 GMT 5 Nov 92

[Text] Bucharest, ROMPRES, 5/11/1992—The president of the Romanian Senate, Oliviu Gherman, sent a congratulatory telegram to the vicepresident elect of the United States of America, Albert Gore Jr., which reads:

Dear, Mr. Vicepresident elect, please accept my warm congratulations on your election as vicepresident of the United States of America. We in Romania attach highest priority to the relations with the United States and would like to see them so close as to be rightfully called special. It is our hope that, with the contribution of the new U.S. Administration and Congress, they will be so in not so distant a future. I wish you every success in your new activity.

UN Secretary General on Embargo, Moldova

AU0511081992 Bucharest ROMPRES in English 1820 GMT 4 Nov 92

[Text] Bucharest ROMPRES, 4/11/1992—"The Romanian people has the courage and perseverance necessary to overcome difficulties and prepare a happy future for its children," UN Secretary General Butrus Butrus-Ghali told ROMPRES special correspondent Victor Martalogu.

Referring to the consequences any embargo has on the partners of the embargoed countries—for instance Romania as a partner to Iraq and former Yugoslavia—Mr. Butrus-Ghali said: "The difficulties facing such states must really be taken into consideration, both in order to observe the equity principle and in order to encourage the members of the international community to conform to the decisions of the UN Security Council."

Asked to discuss the issue of human rights and the rights of the minorities, as well as the reasonable and decent limits to the minorities' requests, Mr. Butrus-Ghali pointed out that "nationalism and internationalism must not be systematically opposed to one another because by successive reactions they will each tend towards their extreme forms." The UN secretary general added that the internationalization of modern life requests foremost that fundamental human liberties be granted and that self-determination was one of those liberties. "We must not ignore the fact that if all ethnic, religious, or linguistic groups wanted to have their own state, fragmentation would know no limits and peace, security, and welfare would become so much harder to maintain."

As for the UN's concrete contributions to the settlement of the Dniester conflict [in the Republic of Moldova], the UN secretary general said: "The UN did not remain indifferent to the situation in the Republic of Moldova. Two fact-finding missions were sent there in August to examine the possibilities for a rapprochement between the conflicting sides, but one must be aware that the UN cannot do everything." In that context Mr. Butrus-Ghali underscored that the UN's ability to settle conflicts was to a great extent the result of the member states' goodwill. "We can not bring peace if at a given moment the belligerents do not choose dialogue, compromise, and reconciliation."

President Names Vacaroiu Prime Minister

AU0411144292 Bucharest Radio Romania Network in Romanian 1214 GMT 4 Nov 92

[Speech by President Ion Iliescu at a meeting with parliamentary party leaders at Cotroceni Palace in Bucharest—live; broadcast in progress]

[Text] ...of the candidate for the position of future prime minister. I do not have to present to you the whole history of the talks I have held in the past few days with the representatives of parties and the various possible variants that were tried out: a government of national unity, a coalition government, and so forth. In the end, as you well know, following the discussions it has been suggested that, viewed politically, the grouping with the largest representation in parliament should assume political responsibility and form the government. Therefore,

we finally concentrated on the discussions with the Democratic National Salvation Front [FDSN], which nevertheless remains open to suggestions and proposals in the formation of the new government, that is, open to recommendations of appropriate individuals.

Regarding the way the government is formed, the FDSN was given a free hand to decide on the most appropriate formula. I heard some comment to the effect that the government should be formed by political figures. I do not quite understand what this means in today's context. I believe that if the FDSN is given such freedom of movement, it should seek and find the most appropriate formula for a viable and efficient government, which should correspond to the requirements of the moment and the period through which the country is passing.

After discussions within the FDSN leadership, it was decided that Mr. Nicolae Vacaroiu should be recommended for the position of prime minister, a proposal I accepted. Mr. Nicolae Vacaroiu, who is present here, is a known economic expert. He is a man of high professional integrity, honesty, correctness, and sense of duty. He has extensive knowledge in the sphere of the macroeconomy and of the mechanisms of the market economy. He is endowed with energy and is open to dialogue. Nicolae Vacaroiu is a man of reform. He is 49 years old, and therefore a man of Mr. Stolojan's generation. They were also colleagues and worked together. He finished high school in Bucharest, then graduated from the Academy of Economic Sciences, the Finance and Credits Faculty, with honors. He worked for two years, 1970-72, as economist with the Design and Systematization Institute of Ilfov County. Then he was employed at the State Planning Committee, where he covered all stages from economist-trainee to director of the Economic and Financial Inventory Directorate of the former State Planning Committee.

After the December 1989 revolution, he was involved in the entire effort of structuring the new government and working out the blueprint for the transition to the market economy. He worked as deputy minister at the then-Ministry of National Economy; afterward, he was employed at the Ministry of Economy and Finance. As I have said already, he was part of the group of people who worked out the strategic blueprint for the transition to the market economy. His particular sphere of interest was the part of the blueprint document dealing with financial, monetary, and pricing issues. He has the advantage of benefiting from an overall vision because he has worked in sectors dealing with economic inventory, and also has the vision of overall economic processes and of the problems of the real economy and the financial mechanisms specific to the market economy. At this time, at the Ministry of Economy and Finance, he is in charge of coordinating the Taxes and Rates Department and currently is involved in working out the preliminary measures for the introduction of a value-added tax and other modern fiscal mechanisms. He also has worked as president of the Interministerial Committee for Foreign Trade Guarantees and Credits. He participated in the negotiations with the IMF, the World Bank, and other international financial mechanisms. He has been involved in teaching, too; he taught finance, prices, and the strategy of development at the Academy of Economic Sciences. His whole family is one of economists. His wife is also an economist and his son studies at the Academy of Economic Sciences.

This was, in a few words, the portrait of new candidate to the position of prime minister. I wanted to inform all party chiefs about this appointment, as I have promised to do. I strived to take into consideration various suggestions and recommendations made to me during my talks and meetings, including the ones I had in the last few days. As you can see, this appointment coincides with certain recommendations made, namely, that we should resort to a man deeply involved in specific economic problems, an administrator of the national economy. I believe Mr. Vacaroiu has these qualities. In the coming days, he should be supported in his efforts to form his team. He should properly think out the structure of the future government, so as to give it a functional and efficient form, with suitable men for each individual department.

At the same time, he must work out the cabinet's program to be later submitted for endorsement by Parliament. We hope that he can finish this job within 10 days, that is, by the end of the next week, and present himself before Parliament then.

Premier-Designate Addresses Party Leaders

AU0411144992 Bucharest Radio Romania Network in Romanian 1225 GMT 4 Nov 92

[Speech by Prime Minister-Designate Nicolae Vacaroiu at a meeting with parliamentary party leaders at Cotroceni Palace in Bucharest—live]

[Text] If you allow me, I am going to say only a few words.

Mr. President, ladies and gentlemen, I am greatly honored by the fact that I was proposed for this office of prime minister.

I would like to tell you that I have reflected for a long time on this proposal for two reasons: first, as a person who has directly participated in the process of reform and in the consolidation of democratic processes in Romania, and second, as a person who knows the current stage in Romania's life after about two and a half years of the transition period. I made a review of the current situation of economy and social life in general, in all its aspects, and in view of this difficult period. I examined what professional skills I could put to use if I accepted such a position to continue the reform, to continue and consolidate the democratic processes, but at the same time to ensure a greater coherence and maybe a greater functional unity of the various subsystems of the reform.

After much deliberation and discussion, I decided that one should give a helping hand and make all possible effort to overcome this very difficult period in Romania's current life. Thus, this requires a complete involvement, and I am determined to get fully involved—if I am approved as prime minister—to continue and increase the pace of the reform and consolidate the democratic processes. This is a difficult period, and I would not like to talk to you now about the government team or about the program that may take shape in the next few days and that will be issued publicly. However, I want to tell you that we will do all we can so that the government team, through our program, apart from ensuring this coherence in the continuous progress of the reform—since I am a captive fan of the reform and democracy, and this is what I have been working on since immediately after the revolution—can grant increasing priority to the consolidation of Romania's base that will facilitate its entrance in the European structures. We will work to strengthen the development of relations with the United States, Germany, England, France, Japan, China, and the other European countries, including Romania's neighbors and other countries of the world.

Certainly, I take this opportunity to tell you most frankly that to overcome this transition period—because I believe that the year 1993 will be a year of great trials, and we will have to act much more firmly to implement the laws that we have adopted so far and possibly to perfect some other laws. I believe it is possible to accomplish all this only with the direct support of the political parties, of all of you who are present here, of the parliament, of the trade unions, and of the press, all of whom play a very big role. Therefore, we can accomplish things only through a joint effort. We are going through a difficult period, and I have accepted this proposal because I am convinced that we all can do more to lessen these economic difficulties and reduce this social decline—I am talking about the standard of living. Therefore, we must find the best solutions, which can be found only through discussions and dialogue, in which absolutely all people of goodwill should participate.

I personally promise you that I will be open, and I will be clear in all my actions, because this is the correct way to act. Everything that we do, we should do properly, and we should try to consolidate what we have gained so far and thus continue our advance. Thank you very much.

Party Leaders Assess Vacaroiu Appointment

AU0411210392 Bucharest ROMPRES in English 1824 GMT 4 Nov 92

[Text] Bucharest ROMPRES, 4/11/1992—After new Romanian Premier Nicolae Vacaroiu's meeting with the leaders of the parliamentary parties the ROMPRES editors recorded their first statements:

Petre Roman (National Salvation Front): "Mr. Vacaroiu's statement of principle seems to us correct referring to what he considers as the essential task of the governing he is to ensure. Otherwise, remembering what he made in the provisional government [set up after the 1989 December events] and especially in the legitimate government after May 1990, I can say he is a man who has tenaciously worked, who has received delicate tasks without protesting and with whom I worked well."

Ilie Verdet (Socialist Party of Labor): "We welcome the designation as prime minister of a man who assumes the responsibility to form the new government. We wish him good luck in forming an adequate team, which should be credible and able to fulfill its duties."

Horia Rusu (National Liberal Party-Young Wing): "The President [Ion Iliescu] has said that 'Mr. Vacaroiu will be a caretaker of the national economy.' But we did not need something like that in this moment, we needed a political government. We firmly maintain our stand and we shall not grant our support to a government made up of experts. The attempt to depolitize politics will have, in our opinion, grave consequences upon our society in the future."

Tokay Gyorgy (Democratic Union of Hungarians in Romania): "I do not know his activity. I know only the fact that he has a difficult task and can say that, on behalf of the Democratic Union of Hungarians in Romania, he will find a partner as constructive opposition."

Corneliu Coposu (National Peasant Christian-Democratic Party): "I do not know Mr. Vacaroiu, I have never heard of him but in the newspapers. I do not know what to tell you about him because I know neither his program nor his political orientation. I have recommended President Ion Iliescu that a homogeneous government be formed with a political character. As it can be seen, it does not seem anything like that. We should wait and see till the government is set up."

Oliviu Gherman (Democratic National Salvation Front): Mr. Vacaroiu is adequate for this moment and we hope he will be a premier for the next four yours."

Gheorghe Funar (Romanian National Unity Party): "President Iliescu's mistake was the fact that he oriented towards an independent personality, Mr. Vacaroiu belonging to no formation, not even to the Democratic National Salvation Front. He will not be able to answer for his activity and we risk to reach the same situation in which the country is now following the [Theodor] Stolojan governing. This is why I think difficulties will also arise in forming the government and what worried me in Mr. Vacaroiu's first statement is the fact that he wishes to continue the Roman-Stolojan reform, which brought disaster to the country. It is in fact a process of undermining the national economy and the Romanian National Unity Party will not encourage anybody to continue such a process."

Corneliu Vadim Tudor (Greater Romania Party): "I am glad that President Iliescu has respected exactly what we have been asking him for two weeks—to name a caretaker, a man who has proved in practice that he knows very well the macro-economic system and who is able to

take us out of the crisis we are in. Because names of economy theoreticians have been circulated, but no name of a practical one. President Iliescu has taken a great risk in designating an unknown man. If I, in my capacity as leader of a party and of a periodical, do not know anything about him, it means that the others know even less. His mission is not at all an easy one, as I have told him right here in President Iliescu's presence. I hope we shall have a government for at least two years, because the country needs stability more than anything else."

Vacaroiu Meets With FDSN Officials

AU0411210092 Bucharest ROMPRES in English 1937 GMT 4 Nov 92

[Text] Bucharest ROMPRES, 4/11/1992—If I do good things I will not bother being "sacrificed," stated premier-designate Nicolae Vacaroiu, after he had met senators and deputies of the Democratic National Salvation Front (FDSN). I should like to say once again that I am an expert, not a politician. If I yield good results during my governing, and I hope it to be so alongside a good team, then I hope all affairs will run well.

Certainly, it is premature to talk about a governing program but I intend to concretize it the days to come, and maybe next Friday [6 November] I shall forward it to Parliament. It is not to be an all-comprehensive program, as it will give only solutions for this winter. A four-year strategy is a very serious thing that involves many experts, and I hope we shall do that.

The interview I had with the FDSN parliamentary group was good. Our dialogue made us get acquainted with one another. FDSN is the ruling party which accepted my nomination for prime minister as President Ion Iliescu recommended it. I am a professional. I am neither a FDSN nor a FSN [National Salvation Front] member. I have not been that so far and I shall not be it from now on.

As for the formation of the government I have made no decision yet. I am interested above all in having experts in my team, and if they are also politicians that does not worry me. Beside professional competence they must also show they are good organizers and can make the sectors which they run work so as to surmount this transitional period.

As for the solution I shall give, it will be an intermediary one, between a political and an economic one, the premier-designate said.

Ministers Predict Goals for New Cabinet

AU0411224092 Bucharest ROMPRES in English 1304 GMT 4 Nov 92

[Text] Bucharest ROMPRES, 4/11/1992—In brief statements to ROMPRES, a number of ministers in the current executive referred to the priorities of their departments which the ministers to be elected should consider:

Dan Constantinescu, Minister of Industry: "Energy supply for winter and the continuation of the program to restructure industry and boost economic activities in general."

George Danielescu, Minister of Economy and Finance: "The 1993 budget should be worked out as soon as possible and a price policy for 1993, along with subsides and others, should be clearly defined."

Adrian Nastase, Minister of Foreign Affairs: "The foreign minister to be elected will have to closely watch the country's borders and see how relations with our neighbors could be developed. On the other hand, an inventory should be made of unsolved problems. At the same time, he should ponder to what extent the foreign policy strategy needs novel elements."

Lieutenant-General Niculaie Spiroiu, Minister of National Defense: "A national security outlook should be worked out on the level of the bodies abilitated through the state's intelligence services to also include the national defence system [sentence as received]; further measures should be taken to implement the new organizational structures of the Ministry of National Defense and of the Army. At the same time, the future defense minister should maintain the units in the national defense industry allowing of the maintenance of technique [equipment] in an operational state and of the modernization the equipment of the Army. The fact is important that the Army should represent a stable social subsystem, well aware of its attributes."

Coposu Assures Next Government of Support

AU0511115892 Bucharest DREPTATEA in Romanian 31 Oct 92 pp 1, 3

[Interview with Corneliu Coposu, president of the National Peasant Christian Democratic Party, by Mircea Zamfir of MEDIAFAX; place and date not given: "The Opposition Will Support Initiatives Beneficial to the Country, But Will Block Attempts To Move Toward an Authoritarian Regime"]

[Text] [Zamfir] What do you think of the immediate political prospects in the light of the interruption of negotiations on the formation of the future government and the FDSN [Democratic National Salvation Front] dual vote for the presidency of the parliamentary chambers?

[Coposu] The negotiations were interrupted because they could not lead to any results; there were essential differences of a dogmatic type. Thus, bearing in mind our readiness to support a government coalition that represents the largest number of voters, we did not even claim the presidency of one of the parliament chambers

(which was offered to us). We believe that the government has to hold all the levers of power in order to be able to implement a crisis program. Therefore, without any reticence, we will back its investiture and support it in its attempt to take the country out of this impasse. Thus, the vote in the Assembly of Deputies and the Senate did not surprise me. The only thing that surprised me was that Mr. Nastase, who was to be entrusted with the formation of the government, could not be persuaded to do so. I held repeated meetings with him, during which he confessed that he did not want to accept the mandate to form the new government. From press reports I had the impression that eventually he was persuaded, against his will, to do so. However, now I see that he could not be persuaded. He is a pleasant man who is liked by everybody, and I hope that both he and Mr. Oliviu Gherman will be prominent in the leadership of the two parliamentary chambers. As I have said before, we wish the government and parliament success; we will not block any initiative that is to the benefit of the country.

[Zamfir] In your view, what will the structure of the government be?

[Coposu] It will be a political FDSN government; not a minority one at all, as the election of the presidents of the two parliament chambers proved. It holds a comfortable majority aside from the assurance by the opposition not to raise any obstacles and to endorse its investiture. As a matter of fact, you were able to note that the election of Mr. Gherman was unanimous.

[Zamfir] Aside from this statement of intent, what will the opposition's policy be?

[Coposu] No democratic regime can exist without any opposition. The opposition cannot sit on its hands and just assure the government that it will support its program. We will support all efforts aimed at taking our country out of the impasse; however, we will certainly block any attempt to move toward an authoritarian regime and any intention to pass legislation of a Marxist-Leninist nature. Therefore, the moratorium could not be accepted, especially since it involved sectors which are not under our control, such as trade unions or street actions. One cannot pledge that there will not be any street demonstrations or that trade unions will not go on strike.

[Zamfir] At the risk of getting a diplomatic answer, I would like you to answer the following question: Are we approaching new primaries?

[Coposu] This depends on the success of the government in solving our country's pressing problems. If it is able to survive this acute crisis, then the government's mandate can be extended. If not, we will also enter the Italian syndrome. I continue to hope that things will proceed quietly because it would not be pleasant for our country to face new elections in such a short time.

Exchange Liberalization Causes Price Increases

AU0511115592 Bucharest ROMPRES in English 1022 GMT 5 Nov 92

[Text] Bucharest ROMPRES, 5/11/1992—The price outburst caused by the liberalization of the leu-to-dollar rate of exchange and the subsidy cuts have resulted in price rises with all goods, writes EVENIMENTUL ZILEI. However, the paper mentions, the price of manpower in Romania is steeply declining. The nominal net average salary in June 1992, when the currency auctioning was resumed, was 19,426 lei. At the month's rate of exchange, the monthly salary of a Romanian in June meant $71.42. In September 1992, the paper shows, the 23,306 lei monthly average pay meant only $57.66 at the month's average rate of exchange.

This means, EVENIMENTUL ZILEI opines, that whereas the cost of living is continuously rising, as it tends to stand in line with the world prices, the Romanians' average income is declining. As compared with June, it was 80 percent smaller in September.

Silajdzic Criticizes Britain, France on Force

LD0411174392 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 4 Nov 92

[Text] Bosnia-Hercegovina Foreign Minister Haris Silajdzic criticized Britain and France for vetoing a United States-backed resolution in the UN Security Council that would have permitted the urgent use of force to implement the so-called no-fly zone over Bosnia-Hercegovina. Silajdzic said that despite the ban, Serbs were using military helicopters and that American Navy ships in this region were effectively powerless, since France and Britain ensured that the ban backed by the use of force could be implemented only following a second Security Council vote. Britain and France are accomplices in the murder of Bosnia-Hercegovina, he said. Silajdzic said that [British Prime Minister] John Major—by several times ruling out any Western military intervention at the start of the conflict—has in effect given a green light to the Serbs to wage a war.

Silajdzic Hopes Clinton Abolishes Arms Embargo

AU0411172792 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 4 Nov 92

[Text] Since Bill Clinton has been elected the new U.S. president, Bosnian Foreign Minister Haris Silajdzic expresses the hope that this will lead to the abolishment of the U.N. embargo on the export of arms to Bosnia-Hercegovina.

Serbs Agree to UN Surveillance of Airfields

AU0411134792 Paris AFP in English 1246 GMT 4 Nov 92

[Text] Geneva, Nov 4 (AFP)—Bosnian Serb leader Radovan Karadzic has agreed to allow U.N. surveillance over airfields controlled by his Serbian nationalist forces, a spokesman for the international Conference on Yugoslavia said here. Karadzic late Tuesday [3 November] signed the airport monitoring agreement proposed by the United Nations Protection Force in Yugoslavia (UNPROFOR).

Also Tuesday night, Bosnia-Hercegovina Foreign Minister Haris Siladjdzic and a UNPROFOR representative signed the "no fly" agreement voted by the U.N. Security Council preventing military flights over Bosnia-Hercegovina, the spokesman said. The spokesman said with the two signatures, "that completes the round because the Federal Republic of Yugoslavia and the Croatian Government signed similar agreements on Monday and Sunday respectively."

Karadzic Says Vance-Owen Plan 'Ignores' Serbs

AU0411152792 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 4 Nov 92

[Text] We have to see in Geneva whether we can save the conference since, after the presentation of the document that totally ignores Serbian views and the Serbian legitimate right to self-determination, it has come to a stalemate. This is what Dr. Radovan Karadzic, president of the Serbian Republic [of Bosnia-Hercegovina], stated last night prior to his departure for Geneva.

According to Karadzic, the other important reason for his trip to Geneva is the signing of the text on the supervision of the Banja Luka airport, since it has been decided that the aircraft of the army of the Serbian Republic should remain at this airport.

Asked whether the text of the Vance-Owen [cochairmen of the Geneva Conference on Yugoslavia] proposed document was totally unacceptable to the Serbs, and how it was perceived by the Serbs in Krajina, Karadzic said that the people in the Serbian Krajina were determined that they would never again come under Croatian authority, that is, be part of the Croatian state. That is their legitimate right.

As for us, the basic principles of the document are unacceptable. They were created on 18 March and propose three constituent units along ethnic lines. That is understandable as three ethnic entities are at war, and not workers, farmers, and the honest intelligentsia [sentence as heard]. It is not a question of a class war, but a religious and ethnic one, Karadzic stressed. That is why we have to separate the ethnic and religious entities, and enable them to become independent of one another within the framework of some kind of Bosnia.

The proposed principle is unacceptable, although there are things that we can accept, at least when it comes to the powers of the central authorities. But the essential things have not been taken from our proposal, Karadzic said.

Serbian National Council Criticizes Karadzic

AU0511090992 Belgrade BORBA in Serbo-Croatian 31 Oct-1 Nov 92 p 7

[Report by Branka Mitrovic: "Demons in Saintly Clothes"]

[Text] Belgrade—Radovan Karadzic should depart from the political scene. There have to be democratic elections in the Serbian Krajinas. The Krajina people are the greatest victims of the war, and as for President Dobrica Cosic's and Prime Minister Milan Panic's policies—they have not made any strategic mistakes.

These are the views of the Serbian National Council of the Bosnian Krajina, whose leaders, after many complications, have managed to open an office in Belgrade. On that occasion, they gave a news conference in the International Press Center.

Vinko Stupar, chairman of this council, and its secretary Dusan Zelenbaba did not spare Karadzic and other representatives of the Serbian Assembly of Bosnia-Hercegovina, stressing that these views were shared by

the people and the members of the Serbian Democratic Alliance-Motherland Front from Banja Luka, as well as by many opposition parties in Serbia.

"The Serbian Republic [of Bosnia-Hercegovina] cannot develop into a democratic Serbian country with its present self-appointed leadership, nor can it unite with other Serbian states. Their Assembly is a club of deputies from the Serbian Democratic Party, that has taken the monopoly on Serbianism, and we all know that if access is denied to other political forces it can only lead to the creation of a dangerous totalitarian regime. The authorities have donned saintly clothes, but underneath it, to put it bluntly, they are demons that will eat their own people. Everyone can lead the people into war, but not everyone can achieve their historical aspirations and objectives in a peaceful and quiet way. Karadzic and his men even dare offer to dish out Serbian territories now without asking for anything in return, just so that they can save their own necks. The people do not need politicians who lead them into death for nothing," Vinko Stupar said very severely.

"I have been living in Belgrade since recently," Zelenbaba added, "but not of my own free will. One of the reasons, and that has recently been confirmed by General Satish Nambiar, is that total lawlessness rules in Knin Krajina; People are getting killed, there is looting, and it is all tolerated by Goran Hadzic and his minister of internal affairs. These gentlemen are deliberately putting off the elections, and they keep saying that they will allegedly be held when the Serbian Krajinas are internationally recognized. It is obvious that this will not happen under such a team, so their hanging on to power is postponed indefinitely."

Claiming that the Serbian National Council enjoys great popularity with the people, Stupar and Zelenbaba said that the people themselves in Bosnia-Hercegovina, unlike the leadership of the Serbian Republic [of Bosnia-Hercegovina], fully support Panic's and Cosic's peace efforts. Stopping the war in Bosnia-Hercegovina and having the sanctions lifted are the most important tasks facing the Serbs, and the president and prime minister of the Federal Republic of Yugoslavia should be fully supported, not attacked by everyone.

Karadzic, deputies in the Serbian assembly, and the Knin authorities are not ready to talk. In the meantime, the Krajina people are struggling for a corridor in northern Bosnia, fighting on Mt. Majevica, and dying around Jajce, while someone else is conducting politics at their expense. However, they believe that what goes around, comes around.

Croats Comment on Reported Ganic 'Putsch'

93BA0112C Split SLOBODNA DALMACIJA in Serbo-Croatian 22 Oct 92 p 4

[Article by Dz. Kolukcija]

[Text] Mostar—A putsch has been carried out in Bosnia-Hercegovina and it was carried out with the help of the Army Supreme Command, insists Ejup Ganic, member of the Bosnia-Hercegovina Presidency.

The nucleus of the putsch is made up of Sefer Halilovic, Jovan Divjak, Zejnil Delalic, Salko Zerem, Aril Pasalic, Djemal Najetovic, Alija Alihodzic, and other members of the well-organized conspiratorial clan within the Bosnian Army. This was stated in a press release of the Defense Department of the HVO [Croatian Defense Council] of the HZ [Croatian Community] Herceg-Bosnia, and Bozo Rajic, deputy director of the Defense Department and spokesman of the HVO Supreme Command, made the case to back up this assertion in a press conference in Mostar on 20 October. He also said that forces favoring a unitary Yugoslavia, people from Kosovo and Serbian expansionists, realizing that the end of the Yugodrama had come and that an unraveling of the crisis according to the principles of the European Community and United Nations is on the horizon, and taking advantage of the influence of the Bosnian Army and the fact that the Muslims are uninformed, decided to carry out a carefully established plan to provoke a conflict with units of the HVO on the territory of the HZ Herceg-Bosnia and with the Croatian people in Bosnia-Hercegovina, and in this way to prevent a solution of the Bosnian crisis and war by agreement, in order to revive the defunct Yugoslavia and everything it implies.

Formula From Belgrade

The HVO press release goes on to say that the evidence that the putschist top leadership of the Bosnian Army is at the service of the policy of Serbian expansionism and Serbian President Slobodan Milosevic is to be found in the fact that the police forces of Serbia took over the building of the Federal Secretariat for Internal Affairs [SUP] in Belgrade at almost the same time that units of the Bosnian Army, that is, the Muslim forces, began an armed attack against units of the HVO in central Bosnia and Novi Travnik. The scenario of the putsch and the reorientation of Bosnia-Hercegovina toward some new Yugoslavia was carried out by perfidious methods, the HVO press release states. Numerous mojahedin are being imported for this purpose; their presence and activity in Bosnia is supposed to confirm the thesis of the Islamic fundamentalism and of a jihad, in order to create in international political circles and public opinion an odium against the just struggle of the Bosnian Muslims for their freedom and in order to deprive it [as published] of aid in its efforts to defend itself. If that plan succeeds, they counted on the Muslims' sense of helplessness and their being forced to turn to Belgrade, to the most cruel butchers, to the phantom by the name of Yugoslavia, to bring the Muslim people to the wall of helplessness, and by its proxy Bosnia-Hercegovina as well, and to facilitate the plan of Serbian expansionism to create an expanded Serbia under the pharisaical name of Yugoslavia.

The HVO assessment is that the plan could not have been carried out before the SDA [Democratic Action Party] lost its legitimacy and was compromised as the legitimate political force of the Muslims, which according to the formula from Belgrade, in addition to the "Trojans" infiltrated into the top leadership of the Bosnian Government and Army, is being perfidiously done by the so-called councils of Muslims, which are being established according to a program all over Bosnia, especially on the territory of Hercegovina. That act was supposed to provide yet another factor for destroying Bosnia and the self-identity of the Muslims, as well as that of the Croats in Bosnia, although the lamenting over the fate of Bosnia and those nationalities was almost convincing for the uninformed. The press release goes on to say that the plan for the putsch is under close direction sending out high officers of the Supreme Command of the Bosnian Army, especially for the territory of the HZ Herceg-Bosnia, as emissaries with the task of preparing the ground for what is to follow. Very great care is taken here for the putsch and attacks on HVO units and the causing of disruptions to be coordinated and timed with the anticipated offensive of the chetnik units on the battlefields of southeast Hercegovina. To strike from two directions both against Bosnia-Hercegovina and its sovereignty and against the Croatian people, and at one minute before midnight to turn the situation around to the advantage of hegemonistic Serbian expansionism. What the chetnik hordes were unable to do, then, would be done by the officers filtrated into the Bosnian Army.

Who are the members of the putsch? The press release responds to that question by saying that they are Ejup Ganic, a sworn Yugoslav, who was sent on a special task by the top leadership of Serbia to help creation of "Serboslavia"; then Sefer Halilovic, who worked for KOS [Counterintelligence Service] under the pseudonym Boris (his card from the KOS card file has been presented in a news conference), whom those giving orders behind the scenes sent to the top leadership of the Bosnian Army with the task of carrying out the putsch; Zejnil Delalic, who worked for a long time for UDBA [State Security Administration] and KOS under the pseudonym Nil; Salko Zerem, a lieutenant colonel in the former JNA [Yugoslav People's Army] from Jablanica, well-known for his charges against Nikola Djapa, former commander of the air force base at Mostar, for not having been strict enough toward the "Ustashi" (which is why the Federal Secretariat for National Defense removed Colonel Djapa); Aril Pasalic, commander of the 1st Mostar Brigade of the Bosnian Army, who in early May 1992 flew in a military airplane from Belgrade to Titograd and then to Mostar, having allegedly come here to fight against the Serboaggressor; Djemal Najetovic, a KOS ace, Kljuic's collaborator, and a key man in the Bosnian Army, who is running and directing everything from Zenica; Jovan Divjak, former commander of the territorial defense for the Mostar region, who is described as a super-Chetnik with extremist Chetnik views and one of the key people in Belgrade's secret plan; and Alija Alihodzic of Zenica, an ideologue who has been pulling the strings in the programmed tensing of relations with the Croats and who has been marked as being most responsible for the bloodshed in Travnik Opstina.

Alija Izetbegovic—Legal President

The press release of the Croatian Defense Council states that HVO authorities have irrefutable material evidence, documentation, and statements by witnesses to support all the descriptions given and the roles of the people described, including the testimony given by Juka Prazina after he realized that these forces had used him for their own sinister objectives.

The Croatian Defense Council also says that it has been receiving with deep regret the news about everything that has been happening in the opcinas of central Bosnia and more widely on the territory of the HZ Herceg-Bosnia. We still remain consistent fighters for defense against Chetnik aggression, for defense of every Croat in Bosnia, regardless of where he is and who has attacked him. To that end, we will use all available means and strength to make the treacherous oppressors and servants of the fascist clan aware that they cannot carry out terror and massacres against the Croatian population with impunity and set fire to their property. The press release also alleges that the HZ Herceg-Bosnia, the HVO, and the entire Croatian people as a whole continue to advocate a sovereign Republic of Bosnia-Hercegovina in internationally recognized borders and to be designed as a state of the three nationalities in constituent units.

The press release concludes by saying that because of the extraordinary situation and the events described, control of movement on the territory of the HZ Herceg-Bosnia as well as in Mostar is being stepped up to the maximum. Citizens are being called upon for cooperation and understanding, because, it says, the measures have been taken in the interest of the peace and safety of every individual. As for the role of Alija Izetbegovic, president of the Bosnian Presidency, in the most recent events, Bozo Rajic said that he is convinced that President Izetbegovic did not have the facts about the putschist activity of his associates and that he is convinced that he did not grant permission for force to be used in the Lasva region. During his recent visit in Mostar, we tried to indicate to Mr. Izetbegovic the putschist activity of those groups and power centers, Rajic said, but there is a big question as to how much real power he has today. But for us Alija Izetbegovic is the legal and legitimate president of the state, who has verified that status in elections, and the Croatian people and its legal authorities and representatives continue to regard him as the head of state, Rajic said. He also confirmed that the putsch is related to the upcoming change at the top of the Bosnian Presidency so as to prevent a representative of the Croatian people from coming to head it, and also that the Bosnian media were a bastion of the putschist clique and are utterly implicated in the scenario of the putsch orchestrated from Belgrade.

Tense Situation

Bozo Rajic especially emphasized that the Croats and their legal representatives do not identify the putschists and their crimes with the Muslim people. On the contrary, we wish the Muslim people well, we want to help it to deal with the traitors and criminals in their ranks, whose purpose has been to decapitate both its police and its military, so as to prevent the bolsheviks, Kosovites, and mercenaries in their ranks from delivering the entire people to an expanded Serbia. The situation in Mostar today, on Tuesday, is very tense, and measures of control and precaution have been intensified to extreme limits. There have been no incidents in the course of the day. In addressing the people of Mostar, Bozo Rajic expressed confidence that there is no fear at all that the chetniks could take advantage of the new situation for a penetration into the Neretva Valley. On the contrary, he said, the forces of the HVO are still stronger now in defense against the aggressor.

According to the most recent reports, the situation in Travnik and the Lasva region is still very grave. So far, five fighters of the HVO have been killed and 20 wounded in the attack of the Bosnian Army. Houses of Croats have been set on fire and their property destroyed in the attacks, and all transportation has been blocked. The situation is such that it threatens to grow into an armed conflict on the broadest scale. We do not attribute all those crimes, Rajic said, to the Muslim people, but to extremists and criminals in their ranks, who are doing the same evil to the Muslim people.

Deputy Prime Minister Interviewed in Skopje

93BA0113C Belgrade VREME in Serbo-Croatian 19 Oct 92 pp 24-25

[Interview with Deputy Prime Minister Muhamed Cengic by Nenad Lj. Stefanovic in Skopje; date not given: "Karadzic Was Right"]

[Text] Most journalists (mainly foreign ones) who are still managing to fling a report or two out of the Sarajevo hell say that the Presidency and the government of the so-called state of Bosnia-Hercegovina (in what used to be Bosnia everything long ago became "so-called") have been operating without a quorum for several months and thus in the middle of a war this government has for months lacked even a defense minister. At best, informed sources say, meetings of the government are attended by three or four ministers—the rest are somewhere in the world at a safe distance where they are waging diplomatic battles, seeking aid, buying arms, or setting up Bosnian missions which one day could grow to become embassies.

Muhamed Cengic, Bosnian deputy prime minister, so he says, has for six months now been unable to get through to Sarajevo. He mainly spends his time in Istanbul, where he represents the interests of the Bosnian Government. The Serbian media in Bosnia recently accused him of having fled to Istanbul with "an immense amount of gold taken out of Jajce and now using that gold to pay for arms." Among Muslims in Sarajevo, one is apt to be told that Cengic is in Istanbul because he is no longer one of those who plays an important role in the Bosnian leadership (aside from Cengic, who is the official representative of the Bosnian authorities, Foreign Minister Silajdzic also goes frequently to Turkey for negotiations, which can also be interpreted as a sign of distrust), while others say at the same time that the stay of the Bosnian deputy prime minister in Turkey is extremely important to the "Muslim cause." In an interview with VREME conducted the other day in Skopje, Cengic himself said that his effort in Istanbul is mainly to organize humanitarian aid. That in fact brought him to Macedonia, where a large number of Muslim refugees are housed. In answer to the remark that the Bosnian Government hardly exists and possibly controls a very small part of the former Bosnia-Hercegovina, Cengic said: "Prime Minister Pelivan probably knows where his ministers are at every moment, although communication with them is sometimes almost impossible. Sarajevo has been surrounded for months and it is difficult to get through to that city. I do not know how often the prime minister is able to get the opinion of all the ministers. As for the territory we control, it is much larger than is thought and is being written. First of all, it is not true that the Serbs hold in their hands even 70 percent of the area. As a practical matter, our government does not control only that part of the territory held by Karadzic's forces. However, even that part of Bosnia held by the Croats is under our control. The prime minister is a Croat, and there are still even Serbs in the government and Presidency."

[Stefanovic] The assertion that your government controls Hercegovina and other "Croatian territories" is contradicted quite a bit by reports which say that the symbols and flags of the Bosnian state can no longer be seen in Hercegovina, but only the "checkerboard" flag....

[Cengic] I recently went through a good portion of Hercegovina and much of what you say is really true. I talked about this both with President Izetbegovic and other officials, and we agreed that this is mainly a question of unruly individuals. We do not want to attribute too great importance to this at present and start an argument, but we have concluded that the system of government there must be tightened up a bit. It is true, however, that our government and President Izetbegovic personally missed the chance when it arose to react decisively when the SDS [Serbian Democratic Party] formed its first SAO [Serbian Autonomous Oblast], which could and should have been prevented in the time before the war. Izetbegovic did not react at that time, because he was afraid of a major conflict of the nationalities, just as now he is afraid that something similar could occur in Hercegovina. At the time, I was in favor of action all the way and preventing the so-called Trebinje SAO from being formed. Had we prevented it at the time, perhaps we would not have had the war. Now I hear that Bozidar Bucurovic, creator of that SAO, recently had to leave his home.

[Stefanovic] It is late today for much of that. For example, for Bosnia-Hercegovina as the civil state of which Mr. Izetbegovic frequently spoke, although, going back a bit, he was the first to form an ethnic party.

[Cengic] There should have been incomparably more insistence on that concept of a civil state. All the people, and there were quite a few of them, who wanted to work on that should have been engaged, politicians and intellectuals should have been invited from all of Europe to help and to join us in preventing the splintering of what could not have been splintered peacefully. All of us who were at the top level of politics at that time were rather inexperienced. Who anyway could have supposed that someone would in the "interest" of his own nationality destroy others and indeed even his own people?

[Stefanovic] If the idea of the civil state has failed, what, then, could be the solution for Bosnia-Hercegovina? The Serbian and Croatian sides have nothing against cantonization; and in some places, rarely to be sure, there is even mention of a protectorate.

[Cengic] Unfortunately, it is perhaps late now for any solution. It sometimes seems to me that another 200,000 or 300,000 people have to die for someone to think of placing Bosnia under a protectorate. I advocated something of the kind even before the war. I proposed that all three sides each choose one country friendly to them that would represent their interests and help to begin negotiations about the future. They might be Turkey, France, and Germany. If that kind of government had been organized, there most probably would not have been war. Even today I think that this solution is better than all the others being offered. But if something like that were to be undertaken, it would first be necessary to punish all those responsible for this war.

[Stefanovic] The negotiations in Geneva have begun to yield certain results, but it will most probably be like a political marathon. These days there have been portents that the Muslim side would perhaps walk out.

[Cengic] All of these conferences sometimes seem a bit frivolous. I do not see among their participants those who could prevent the killing of new tens and hundreds of thousands of people. The people negotiating there are those who detest one another, but they have to seek some solutions.

[Stefanovic] You are referring to the negotiators from all three sides?

[Cengic] Yes, from all three. In any case, I do not believe that the delegation of the state of Bosnia will leave the talks unless everything becomes still more frivolous than it has been up to now. We want the war to stop, but Bosnia must be free. Izetbegovic has said several times that there should be negotiation even with the black devil if it brings results. But I personally do not see that talks with Karadzic lead to any result. He is doing this frivolously and theatrically. At the same time, so much evil has been done the Muslims that it is very difficult to accept negotiations, especially those which are supposed to confirm the situation at the moment.

[Stefanovic] Nor are the peace efforts furthered much by demands that the Muslim side be allowed to import arms. In spite of the embargo, it is obvious that arms are arriving, and the Islamic countries are mentioned most frequently in this regard.

[Cengic] Alija Izetbegovic never wanted war. In fact he said that so many times that now many Muslims reproach him for not having given them good leadership and not having informed them in good time of what was being prepared. At the beginning of the war, the Muslims were completely caught by surprise and unprepared, unorganized, and unarmed. The fact that some of them had a few automatic rifles does not mean that they were all armed. We have entered the sixth month of the war, and it is natural that the Muslims should have organized themselves in the meantime, as indeed has the Bosnian Army. There are both Serbs and Croats in it. Every day we are, of course, stronger and stronger. Some of the arms we captured, some we took from the armories of the territorial defense, and some certainly were supplied to us by someone. I would not say that they came from the Islamic countries, but from those who deal in arms. You cannot expect our government to stand up at this point and say—Everything is fine—when so far tens of thousands of people have died and so much territory has been ethnically cleansed.

[Stefanovic] Do you believe today that the war in Bosnia is above all the consequence of an agreement between Croat President Franjo Tudjman and Serb President Slobodan Milosevic to divide territory at the expense of the Muslims? At one time this was an occasion for both of them to save themselves. There is more and more evidence every day of Serbian-Croatian cooperation in this joint effort.

[Cengic] It is quite certain that Milosevic and Tudjman have played the most important role in the disintegration of Yugoslavia and the creation of the new state. Neither was satisfied with the borders of his own national state and they wanted to broaden them. It seems to me that Milosevic wanted that a bit more, perhaps because he possessed the greater force, because he had the JNA [Yugoslav People's Army] under him. Whether in the end the Muslims are the only ones to pay the price depends above all on their feeling that they must remain in Bosnia, which, whatever anyone wants, will in fact be theirs. I have met many Muslims who have become disabled in this war and are ready to go right back to the front after their recovery. The reis-el-ulema, whom I met the other day in Skopje and who himself is wounded, said that in spite of so many deaths, people in Sarajevo have not the slightest fear of going out into the street. Sarajevo must be the victor, and it will be.

[Stefanovic] Are you afraid of the Palestinization of Bosnia and of the extremism to which many have already given themselves up?

[Cengic] I am afraid that Karadzic's idea that the nationalities of Bosnia will never again be able to live together is slowly coming to pass. When I said once that his idea of cantonization would not succeed, he answered me—"You will see that it will." It frightens me that that kind of hatred will prevail and that people will begin to kill one another in the street regardless of political commitment, based only on nationality. When someone's surname becomes a uniform, that is probably the blackest of anything that can happen. Those who have been pounding Sarajevo for days could have finished the entire job in two weeks and leveled everything to the ground. Yet they are doing it slowly and systematically, over a matter of months, in order to convince even those who are most obstinate that they must give up the idea of living together. It is difficult to see from that perspective any way in which people can be reconciled, although I have always believed that there is some ray of hope in every grief and misfortune. I recently visited Zenica, and when I became ill, I was examined by an internist who was a Serb. Not for a moment did I have doubts about him or about his doing his job as required by his medical ethics and humanity.

Tudjman Sends Clinton Congratulations

LD0411141292 Zagreb Radio Croatia Network in Serbo-Croatian 1204 GMT 4 Nov 92

[Text] Messages of congratulations to the new U.S. President have been arriving from all over the world from leading world statesmen. President Franjo Tudjman has sent Bill Clinton a message of congratulations, part of which says:

In the hope that your election as head of state of the most influential nation in the world will speed up the implementation of the effective decisions of the United States and the United Nations, which is designed to stop the terrible war in Bosnia-Hercegovina and establish peace in the countries of the former Yugoslavia, may I take this opportunity to express the desire of democratic Croatia for stable and comprehensive relations with your great democratic country, whose helm your are assume. President-Elect, we send you our warmest congratulations and best wishes for your own happiness and a successful role for the United States in establishing peace and a new democratic order, Croatian President Franjo Tudjman says in his letter to the newly elected U.S. President, Bill Clinton.

Tudjman Discusses Serbs, Bosnia, West

LD0411212992 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 3 Nov 92

[News conference by President Franjo Tudjman with foreign and domestic reporters on 3 November; place not given—live or recorded]

[Excerpts] [passage omitted] [Vlado Matkovic, Croatian Television] Mr. President, I am interested in your comment on yesterday's no-confidence vote in Milan Panic. What do you think? How will that reflect on relations between the Republic of Croatia and the FRY, in terms of the solution to the whole Yugoslav crisis.

[Tudjman] First, that is not the final result. The other chamber must take a vote on that. In any case, the voting reflects the balance of powers in present-day Serbia between Serbia and Yugoslavia. It shows that extremist, expansionist elements are still prevailing in Belgrade and, more importantly, that the steps which the international community—both the EC and the United Nations—have taken with the sanctions against Serbia have not yielded the desired result. The sanctions are actually ineffective, and regardless of how the political situation in Serbia develops, I believe that the vote indicates that world factors and the international community will have to take more effective steps to curb the Serbian aggression.

[Unidentified reporter] Can you please comment on the possible development of the situation in Bosnia-Hercegovina in light of your latest talks with Mr. Izetbegovic? My second question is whether you will mediate in the dispute between the government and the trade unions in connection with the announced general strike.

[Tudjman] The talks I held with the president of the Bosnia-Hercegovina Presidency were meant to unite in an effective way the efforts of the Croatian and Muslim forces in the areas under the aggression by the Serb forces. Even a blind man can see that the Serb forces in Bosnia-Hercegovina have all the military might of the former Yugo-communist Army.

Of course, both the Croatian military forces formed within the Croatian Defense Council and the Muslim military forces which were formed later are in an inferior position, and the clashes which broke out in two or three places only weaken the joint effort to offer resistance to the Yugo-Serb aggression. Of course, it should not be forgotten that in most cases Croatian and Muslim forces have so far cooperated, but the sporadic clashes indicate that there are some extremist elements. It has even been said that the leading element in all this were mojahedin from foreign countries who provoked the conflict between the Muslim and Croatian forces.

I believe that we have created the preconditions to eliminate such clashes between Croatian and Muslim forces, primarily political preconditions, by introducing true representatives of the Croatian people in the Presidency and the Government of Bosnia-Hercegovina and by deciding to form a joint command. This alone would create conditions for preventing further successes of the offensive activity of the Serb forces.

I have not yet answered the second question. Tomorrow I will talk to trade union representatives and I will hear their complaints so that we can find ourselves sharing the same path and efforts to find, as soon as possible, a way out of this state of affairs stemming from and conditioned by the collapse of the socialist system, the collapse of the former Yugoslav community, and the war, particularly the war that was imposed on us, particularly by the fact that we are taking care of 700,000 refugees and displaced people.

Therefore, this is not an issue of a strike, this is clearly not a matter of.... [pauses] Nor does the solution lay in wrong decisions, certain wrong decisions by the government, should it make them. I would like to hear the opinion of the trade unions. I maintain that both the government and the trade unions will find ways of studying the issues in dispute and devising solutions which will serve the interests of the trade unions, in other words, those of the Croatian worker, Croatians, so we can overcome as soon as possible these low wages, these low salaries, so we can put an end to this period of inflation as soon as possible, and accomplish as soon as possible the concept of the convertibility of the Croatian currency, something that must be a shared interest of the government and of trade unions as well as of all Croatian people.

To this end I will personally invest every effort to bring about this cooperation. The government of a democratic Croatia cannot have any other interests, nor can the trade unions of a democratic Croatia. They do not have

to clash in a way which hampers production. On the contrary, we need the best solutions possible in any given circumstances to increase as soon as possible the rate of employment and the standard of living. I believe we are going to reach satisfactory agreements and results in this line of action.

[Reporter] If this agreement does not materialize after all, are you going to arbitrate in your capacity as president of state?

[Tudjman] I will wait until after the talks with the trade unions, and I will talk with the government too. If need be, I will personally chair the government session at which these individual issues are discussed. In any case, I believe that our public as a whole—every person, every minister, the entire government, every trade union, I think there is a considerable number of them, and trade unions as a whole—must concentrate on how we should overcome our difficulties and secure the satisfactory standard of living that we want for every Croatian.

[Deutschlandfunk reporter] Mr. President, is there any possibility of the Republic of Croatia still taking in some of the refugees from Jajce, and would that depend, does that depend, on some additional humanitarian assistance from abroad? I can confirm that on this occasion there is great interest, great compassion, great and consternation in connection with these latest events, especially in Germany. Therefore, there is the question as well that it might be most appropriate if at least a part of those people were accommodated in Croatia at least in the initial phase.

[Tudjman] The arrival of such a large number of refugees is beyond Croatia's capacities. Up to now, in addition to the miraculous victory in the homeland war, we have carried out the miracle of having sheltered a large number of refugees. It has been said that we received such a large number in relation to the Croatian population, equal to 10 million to 14 million in Germany or about 30 million in America. But in Germany the problem of receiving only—if I am not mistaken—200,000 refugees from eastern Germany caused a national problem. In Germany, rich Germany!

We, with one-quarter of our country being destroyed and with paralyzed agricultural and industrial facilities, we not only filled our humanitarian capacity but also strained ourselves so much that we cannot do anything else, bringing into question the life of our people. We had to house our children from [Slavonski] Brod, from war-stricken areas, from all those UN-protected areas in other towns and send them to other schools. People are coming to me, with good reason, asking me to make possible the schooling of Muslim children for humanitarian reasons. We are willing to do that, but we do not have the capacity.

You know, let us be frank: The world, which is allowing such an aggression to go on, is looking for an alibi by showing compassion and sympathy, while it has not so far provided even sufficient material assistance, let alone made any other effective steps in order to stop the aggression. Therefore, we are doing everything we can, but we cannot go beyond our capacities.

[Reporter] Would the situation be different if, for example, one country or several countries put up several million [currency not specified] for temporary accommodations and assumed the obligation of taking them in for a certain period of time? Would Croatia then be ready, could it?

[Tudjman] Yes, your question contains the answer. If the neighboring and other countries showed such a readiness, then yes.

[VJESNIK reporter] Is there any truth in the predictions in foreign papers that sanctions will be introduced against Croatia, like Serbia, because of its alleged involvement in Bosnia-Hercegovina? Austrian papers claim today that Croatia left Slovenia in the lurch and note silly claims that it left Muslims in the lurch. The other question: To what extent can the departure of the Bosnian Serbs from the Geneva conference disrupt the peace process?

[Tudjman] Regarding your first question, there are various guesses and misinformation. Regarding Bosnia-Hercegovina, our policy is consistent. Since the very beginning we have been noting that all crisis issues of the former Yugoslavia are reflected in Bosnia-Hercegovina and that Bosnia-Hercegovina can be preserved as a sovereign state only if it is a community of the three constitutive nations. This is our view about the possible survival and the possible internal organization of Bosnia-Hercegovina. We have also been pointing out that the crisis in the former Federal Yugoslavia could have been resolved without a war if everyone endorsed the proposal by us and Slovenia on the transformation into a confederal union of states. We could have avoided war and we could have some form of community of interests on the territory of former Yugoslavia.

The same problem is now besetting Bosnia. We did not just negotiate with Muslims; we even forged cooperation with them, a cooperation which was broken by some extremist elements. It was surprising that some people from the ranks of some Muslims accused Croatia when it was known that Croatia provided help to the Croat people in Bosnia-Hercegovina to organize themselves and to defend their regions, through which Croatia paved the way for the defense of all Bosnia-Hercegovina.

True, we did then negotiate with the Serbs, not at the expense of Muslims but to end the war and to reach a political solution, to prevent such sacrifices—today we are talking about 60, 80, or 140,000 dead in Bosnia. The figure will likely be closer to the lowest estimate, but even that is horrific, that is a huge number. We wanted to end the war.

There is misinformation that Croatia deliberately gave up Slavonski Brod, and even now Bosanski Brod, and

even Jajce, for some alleged agreement. These are pure stupidities, absurdities which are totally unfounded.

We are in favor of all forces putting up resistance to the Yugo-Serb aggression even in Bosnia-Hercegovina to end that barbaric bloodshed and destruction. We are also in favor—and as soon as possible, right away—of a political solution for the survival of Bosnia-Hercegovina. It is astonishing that the world is allowing such a barbaric aggression to continue in the heart of Europe at the end of the 20th century.

Your second question. I believe that the question is whether they will do that after all, because even the most extreme circles within the Serbian expansionist policy will be forced in the end to accept international arbitration. Regardless of how much they shout and try to unite Serbdom and even claim that the entire world is against them, they will not be able to oppose the entire world. Regardless of how developments in Belgrade unfold and who speaks on behalf of the Serbian policy, that force will wither away and be forced to accept international rules for resolving all problems. I believe that negotiations within the framework of—we can call it—the world conference on former Yugoslavia will continue.

All this shows that both we in Croatia and the international community must count on the Serbian policy not yet being willing to accept political and diplomatic solutions; it only knows force. This makes demands on our policy and on the international community.

[Karacevic, German Radio] Could you give your view on the session of the so-called Serb Assemblies of the Serb Republic from Bosnia-Hercegovina and the Assembly of the Republic of Krajina from occupied areas in Croatia, which discussed unification, the establishment of common authorities, a banking system, etc., as if nothing was happening? Second, do you not think that UNPROFOR [UN Protection Force] activity is limited, that its hands are tied, and that, as far as the occupied areas of Croatia are concerned, they cannot do things more efficiently because they have no authority from the Security Council, which the example of Okucani demonstrated best? Finally, could you comment on Mr. Cosic's [FRY President] letter to Butrus Butrus-Ghali [UN secretary-general] on the concentration of Croatian troops and on an alleged attack by Croatian aircraft.

[Tudjman] Above all, I do not give much importance to that decision to unify their—what are the names—krajinas. You know, these krajinas were making decisions to unite with Serbia and Yugoslavia a year, a year and a half ago. As we know, this did not happen and it will not.

We are really obliged to give due recognition to the peacekeeping forces because they prevented the spread of war to the entire territory of Croatia. This would have meant the destruction of all of Croatia, like Bosnia-Hercegovina is going through now. At the time when we agreed to the deployment of peacekeeping forces—that is, at the beginning of this year—the Yugo-communist army and Serbia and Montenegro had much greater opportunities to continue inflicting destruction on all of Croatia. So we must give due respect to the peacekeeping forces.

We cannot be satisfied, however, with the manner in which the peacekeeping forces are implementing the Vance plan. The implementation is being unjustifiably prolonged and not carried out. The main objectives of the Vance plan were the disarming of Serb armed units, which is being only partially done; enabling refugees to return, which is not being done at all; and reopening roads and normalizing life, which was not achieved.

So we demand, insist, and are undertaking steps—and we will take new steps in the next few days—for the peacekeeping forces to implement fully the Vance plan. They were sent by the UN Security Council to the soil of the Republic of Croatia.

The peacekeeping forces are also charged with establishing control over the borders between Croatia and Serbia. They did not do this either. So, the issue is: Why? Clearly, to begin with, they were not authorized to use arms and the Serb side, contrary to the agreement it signed on the deployment of peacekeeping forces, was not willing to cooperate in implementing that peace plan. The UN Security Council should authorize the peacekeeping forces to implement the Vance plan at any cost. On the other side, this depends on the overall situation, including the war in Bosnia-Hercegovina and all the turmoil in Belgrade.

I hope that the peacekeeping forces will carry out their tasks. Clearly, if they do so the sovereign Croatia, the Croatian recognized internationally within its borders and with its armed forces, which it created during this defense war, will be capable of establishing the legal system on its entire territory.

It is astonishing that a part of the Serbian extremists—according to available information which even Serb representatives have given us, there are only 5 to 10 percent of the extremists in the UN protected areas—do not realize that, if they continue with the aggression and with the breaking up of sovereign Croatia, they can be held responsible for war crimes in the future. This includes calls for the destruction of the territorial integrity of Croatia, calls for further bloodshed. It is to be expected that more resolute voices will appear among the Serb people urging the elimination of such extremists and the implementation of our laws, especially the constitutional law which guarantees all civil and ethnic rights to all ethnic communities, national minorities, Serbs in particular, and even special status for Serbs in two districts where they are in the majority.

With this law, the law on abolition, and steps on amnesty, we have created on our part all the preconditions for a political solution and the normalization of life in all of Croatia. Those who continue to oppose Croatia will have to be held responsible, and I hope that there will be those among the Serbs in Croatia who will urge

more resolutely the implementation of the Vance plan in the UN protected areas and the normalization of life in Croatia. [passage omitted]

[Reporter] The distinguished daily DIE WELT writes about a certain kind of cooling off in relations between Croatia and Germany. Have you as Croatia's president sensed this change? What is your comment?

[Tudjman] I would not say that there is any kind of cooling off in our official relations, particularly not between the Croatian and German public. I may notice that in Germany there has been a certain kind of misunderstanding regarding our approach to Bosnia-Hercegovina. In fact, this has to a certain extent been influenced by misinformation. What I said earlier on, this means that our talks, even with the Serbs, have been interpreted as being ostensibly some kind of agreement on a carve-up instead of being what they were: talks aimed at preventing war, at preventing bloodshed.

From the very beginning we were aware that in any given circumstances we did not have the forces to defeat Serbia—that is, Yugoslavia and its Yugoslav communist army—militarily on Bosnia-Hercegovina's soil. Anyway, the West has also been revealing that this army is still in posession of 900 tanks, rockets, mortars, aircraft, etc., which certainly leaves the Croatian army in an inferior position. Consequently, apart from the fact that we want and wanted, as a matter of principle, to solve problems on this soil in a peaceful way, but due to this balance of forces we also favored talks, negotations, and agreements with the Muslims as well as talks with the Serbs on how to put an end to the war, how to find a solution which would satisfy all three peoples in Bosnia-Hercegovina: Muslims, Croats, and Serbs. [sentence as heard]

[Branko Tudjen, VECERNJI LIST] It is a fact that West Europe and the United States have so far provided no financial or economic aid on any practical scale for Croatia's development. We are also facing the risk of social unrest. At the end of the day, whose interest is it that, on the one hand, there is no capital input, and on the other, it seems as if some powers relish the fact that there may be social unrest in Croatia? Is it not true that there is some background to this? At the end of the day, the right solution to the crisis in the former Yugoslavia is a rich Croatia versus a sanction-chained Serbia, at least in my view.

[Tudjman] My opinion differs slightly from yours in that today, following the elections we held in August, there are no longer any attempts to weaken democratic Croatia among the responsible factors of European and world politics. On the contrary, even those who wished to see some other [word indistinct] forces at Croatia's helm, so they could pursue their policies of this or that kind, following the elections to the Croatian Assembly, parliament, and the presidential election they have come to the conclusion that not only has Croatia's constitutional order consolidated and gained more stability, but it is the most stable system among all the countries which are getting out of the socialist [word indistinct].

I can say, with my full responsibility behind this, that the EC countries and those most responsible among them—it is known who has the main say in resolving international crises, namely the United States—have stated their willingness to give us political support in resolving our economic questions and to cooperate in all areas, even in those areas which attract Croatia's interests in particular. Consequently, Croatia's international standing has been consolidated due to the stability of its internal democratic system. I would not say that responsible international factors are keen, if they ever were, to stir up social unrest. I believe that there is no threat of social unrest in Croatia.

The extent to which the Croatian individual has demonstrated his political maturity and national and democratic awareness is surprising. The election results alone testify to this. Please note the way these things happen in some other countries, where there are even cases of the old communist parties coming back to power or where the results are such that political relations are corrupt and their governments cannot make decisions and take steps which would be in the interest of certain countries. In other words, the Croatian individual, the entire Croatian people, have proved their maturity through the elections as well as their maturity in shouldering the burden and sacrifices of getting out of that socialist system, the Yugoslav community, and this war imposed on us.

I believe we are going to be able to overcome all these difficulties caused by this entire situation very quickly and that as soon as next year we will leave behind this period of inflation and accomplish the convertibility of the Croatian currency. In so doing we will create more favorable conditions for the return of Croatian emigrees and their capital, for investments by these Croatian people from abroad, and for foreign capital too. In this respect [words indistinct]. [passage omitted]

Tudjman Explains Position to Foreign Envoys

LD0511120192 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 4 Nov 92

[Text] Dr. Franjo Tudjman, president of the Republic of Croatia, today invited to the presidential palace the ambassadors and other envoys accredited to the Republic of Croatia. The diplomats were headed by the diplomatic corps doyen Giulio Einaudi, the ambassador of the Holy See, the President's Office announced.

President Tudjman informed his eminent guests about Croatia's standpoints on the war and the political crisis in Bosnia-Hercegovina. He again drew attention to the fact that Croatia was among the first to recognize the independence and sovereignty of this neighboring country, to establish diplomatic relations and name its ambassador, and to receive and accomodate about half a million refugees from that country, far beyond its means.

The Croatian policy toward Bosnia-Hercegovina remains unchanged from what it was at the very outset, President Tudjman said and went on to stress that the internal structure of Bosnia-Hercegovina was a matter of agreement between its three constituent nations.

In reference to occasional clashes between Muslim forces and the forces of the Croatian nation in Bosnia-Hercegovina, he said that during his recent meeting with Bosnian President Alija Izetbegovic in Zagreb, they agreed on political prerequisites for resolving such clashes and reached agreememnt on uniting Croatian and Muslim forces to more effectively counter greater-Serbian aggression against Bosnia-Hercegovina.

In view of the fact that international sanctions against the aggressor have failed to yield desired effects, President Tudjman appealed to the ambassadors accredited to Croatia to call on their governments promptly to take decisive, concrete, and, above all, effective steps to end the barbaric war of conquest conducted by Serbia and Montenegro in Bosnia-Hercegovina and to halt the exodus of the population, the extent of which has not been seen in Europe since the World War II.

The eminent guests were also informed about the ineffectiveness of the UN Protection Forces in Croatia and about specific examples of the failure to implement the Vance plan. President Tudjman presented the ambassadors with detailed reports about the amount and the deployment of heavy weapons in the areas under UN protection which should have been withdrawn. As an illustration he revealed that since the arrival of the United Nations, chetniks and Serb armed bands had killed 600 people in Baranja alone.

President Tudjman stressed that by accepting the Vance plan, Croatia for its part, created political and legal conditions for the implementation of the plan and displayed a high degree of cooperation in the work of the international peace conference on former Yugoslavia. President Tudjman then drew particular attention to the increased number of cases of human rights violations in the UN protected areas committed by Serb paramilitary units which, in contravention of the Vance plan, have not been disarmed and as such are hampering the return of displaced persons and the opening of roads. Nor have they adhered to the UN Security Council resolution on deploying UN units at the borders between the republic of Croatia, Bosnia-Hercegovina, and the Federal Republic of Yugoslavia to normalize daily life and achieve stability in this part of Europe, the Office of the President of the Republic says in the statement.

Dalmatia's Economic Losses, Isolation Discussed

93BA0113F Zagreb VECERNJI LIST in Serbo-Croatian 22 Oct 92 p 4

[Unattributed article: "When Will There Be a Train Going South?"]

[Text] Split—The isolation of southern Croatia from transportation connections, brought about by the stoppage of rail traffic and destruction of the Maslenica Bridge on the Adriatic Highway, has so far done over $2.9 million worth of damage to Dalmatia's economy. This was stated in yesterday's meeting of the technical groups for transportation and communications of the Split Regional Chamber of the Croatian Economic Chamber, adding that this is not the final amount.

Operating under such unfavorable conditions, the Dalmatian economy has demonstrated full vitality, although with diminished production. This was also demonstrated the other day when all segments of it went into production that were shut down back on 23 July because they had no power.

At the center of the discussion, aside from reviving rail traffic between northern and southern Croatia, was the need to rebuild the Maslenica Bridge, the price of which is about $8 million. Ivo Strgacic, an engineer representing the Economic Chamber of Zadar, took the integral and scientific approach to building that project.

Debating possible ways of overcoming Dalmatia's isolation with respect to transportation, to which a considerable portion of the traffic of neighboring Bosnia-Hercegovina has been turned, the economic experts recommended buying new or used vessels and putting in service between the southern and northern Adriatic fast ferries—with a speed of 50 knots per hour—which would shorten the trip between Split and Rijeka to three hours. In addition, it would be worthwhile to do everything to reactivate the rail line between central Dalmatia and Zagreb and rebuild the most important main and regional highways, beginning construction with the section of the limited-access highway from the interior of Croatia to the sea and construction of the highway sections between Zadar and Split. That would cost about $450 million, but foreign investors would have to be involved.

Osijek Leader Against UN Force Activities

93BA0113E Zagreb VECERNJI LIST in Serbo-Croatian 22 Oct 92 p 4

[Article by B. Vrbosic: "Confidence Has Been Gambled Away"]

[Text] Osijek—We have come to a crossroads in our attitude toward the UNPROFOR [UN Protection Force] and the UN Office of the High Commissioner for Refugees. We have received their representatives and welcomed them as friends, but unless in the coming period there is a change, we will consider them people who have gambled away our confidence. There will no longer be tolerance of their supplying the chetniks, because we see how certain blues have been buying hundreds of kilograms of food and gasoline and hauling them away to the occupied area. The day is not far off when the district government, as it is entitled to do, will adopt a decision to the effect that they cannot buy even cigarettes, so let

them go buy them in Serbia from those they are aiding. This is being given the most serious thought, as are changes not only in the officer corps of the UNPROFOR, but indeed of the entire UNPROFOR battalion from Russia, said Branimir Glavas, chairman of the Executive Council of the Osijek Opcina Assembly at yesterday's meeting with representatives to communities of Osijek exiles.

The meeting began with the question of why B. Glavas had sent a letter to General Satish Nambiar [UNPROFOR Sector East commander] in which he opposed the removal of A. Khromchenkov, UNPROFOR commander in Sector E, while the Community of Exiles is insisting on his removal. The opcina prime minister argued that changes of personnel at this moment would only be a good excuse for idleness of the UNPROFOR in Sector E. Then they might have every reason to say that the new officers need time to familiarize themselves with the situation in the field. The opcina government agrees completely that the entire Russian battalion needs to be removed. It has been proposed, and members representing the exiles have accepted this, that a delegation of that community and of the Osijek Opcina Assembly be sent to Dr. Franjo Tudjman and Gen. Satish Nambiar to familiarize them with the situation in the field, but also to obtain answers to questions about return of the exiles.

Robert Adamson, representative of the UN Office of the High Commissioner for Refugees, attended the meeting once again and said that at this moment the decision on return of the exiles is being made at higher levels. Recently, he and A. Khromchenkov met with Milan Ilic and Milan "Mrguda" Milanovic, representatives of the "local authority." He was told that even he must obtain the permit of the "local authority" to visit certain settlements in the so-called protected zone, while after that same meeting Colonel Khromchenkov told B. Glavas that the talk was about "bus tours" of those villages.

The local authorities are extremely fierce in opposing that kind of tour of the villages, and under those conditions the safety of such a visit cannot be guaranteed, A. Khromchenkov wrote and requested that the tour of these villages not be planned. This confirmed once again the powerlessness of the UNPROFOR in implementing the Vance Plan.

Tasks, Priorities Awaiting Clinton Viewed

AU0411200392 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 4 Nov 92

[Commentary by Edo Zitnik]

[Text] The American people's expectations of the new U.S. President are as vast as the majority by which Bill Clinton yesterday defeated George Bush. His youthfulness, charm, and numerous promises of radical change are the legacy that Clinton will not find easy to fulfill. Had it been different, George Bush would have, of course, done it already.

Upon entering the White House, which will officially occur on 20 January, Bill Clinton will immediately have to fight the cancerous growth of America—the enormous trade deficit, while at the same time, kickstart the economy which is, despite the big talk of President Bush during the electoral campaign, far from being out of crisis. It remains a question as to how he will find a modus vivendi between these two conflicting facts. If Clinton will yield on this issue and lead the country into even greater debt for the sake of economic revival, numerous Americans who voted for him last night will not forgive him. This first test will also be significant because Clinton, unlike his predecessor, does not have Congress against him. Namely, the Democrats won a solid majority in the Senate and the House of Representatives.

Therefore, due to the voters' great expectations, Clinton's policy will in the first few months concentrate exclusively on a few economic indicators that are supposed to confirm the belief that things will be different and better under his rule. In exchange for giving the go ahead for the reform of the medical system, education, reduction of budget, and so forth, Congress will definitely get some long term concessions, such as investments in the infrastructure.

The foreign capital, whom Clinton frightened before the elections by threatening new taxes, will soon enjoy the president's goodwill gesture and willingness to negotiate, although the capital will, of course, definitely have to contribute toward Clinton's ambitious program of resurrecting the American dream.

U.S. foreign policy was one of the less important factors in the electoral campaign because Clinton was concentrating so much on internal policies. This will also be the case in the first 100 days of Clinton's term of office. Bearing in mind the traditional inclination of the U.S. Administration to maintain continuity in foreign policy, one cannot expect radical changes in this sphere, at least not for the time being. If we nevertheless speculate on the basis of some of Clinton's hitherto statements—his favoring the reduction of U.S. soldiers in Europe could mean that he will leave the resolving of the European internal problems, therefore also in Bosnia-Hercegovina, to the Europeans.

Regarding economic contacts with Europe and Japan—and the fate of the General Agreement on Trade and Customs Duties depends greatly upon this—there are many assessments that Clinton will be a much tougher negotiator, especially because he is surrounded by some hardened protectionists. Relations with Russia remain a big puzzle that can also be concluded from the first reactions in Moscow, where they did not hide their disappointment over Bush's defeat.

U.S. Advisers Reportedly Training Mercenaries

AU3010205092 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 30 Oct 92

[Text] The BINA [expansion unknown] news agency today carried a report on the existence of two camps in Slovenia for training special units. Instructors at these training centers are U.S. and German military advisers. Their mission is identical to the one they performed in various Central American countries. The training lasts one month and the special troops are then transferred through the usual channels via Croatian territory to battlefields in Bosnia. The BINA agency claims that the Slovene authorities are keeping this cooperation with the State Department top secret.

The camps for training the special units bound for Croatian and Muslim units are located somewhere in Gorenjsko. Apart from Muslims, these units include an increasing number of Czechs and Poles.

Several U.S. and international journalists are already investigating this Slovene case with which the U.S. CIA also is being connected.

Kucan: Intervention in Serbia Not Feasible

LD0211143692 Belgrade TANJUG in English 1351 GMT 2 Nov 92

[Text] Belgrade, November 2 (TANJUG)—President of the former Yugoslav Republic of Slovenia Milan Kucan assessed that military intervention was not a means to end the war on the territory of the former Yugoslavia because the causes of the war conflicts would not have been eliminated.

In an interview carried on Monday by Belgrade daily BORBA, Kucan stated that an intervention, aimed at Serbia, would "only serve to further homogenize Serbia and the Serbian policy and prevent political differentiation...and the way to solve the Serbian national question, which is the most complex national question in Europe."

Asked whether he was optimistic as regards the agreements Yugoslav President Dobrica Cosic and Croatian Presient Franjo Tudjman as being one of the ways to end the war, Kucan said these agreements were made at the expense of the third party, that is, Bosnia-Hercegovina, which is a sovereign state.

The Slovene president also pointed out that the "goals of Yugoslav President Dobrica Cosic were not essentially

different from Milosevic's," but that the means he was applying "were definitely different."

Kucan claims that for him personally the most difficult moment in his 30 years of being in politics was the beginning of the breaking up of Yugoslavia, but resolutely rejected the thought of any integration in the space of the former Yugoslavia. Slovenia, he says, was much more interested in the neighboring countries—Austria, Hungary, Italy, and Croatia.

In connection with the current Slovene-Croat misunderstandings concerning their mutual boundaries, Kucan said that the "actual talks on the boundaries have not yet been opened," and that, in the event Slovenia and Croatia fail to reach agreement, an international arbitration would be called for.

Defense Accord With Austria Announced

AU0511081392 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 4 Nov 92

[Text] Regarding Slovene-Austrian relations, we must mention the visit of Defense Minister Janez Jansa to Vienna. He attended the symposium on democracy and security in Europe last week. He took that opportunity to hold some talks. Thus, Minister Janez Jansa met with the WEU [Western European Union] secretary general, deputy secretary general of NATO, and the Austrian defense minister. In a statement for our radio station, Minister Jansa said the following about these talks:

[Begin recording] Regarding the WEU and NATO, we primarily discussed possibilities for cooperation. The institutionalized forms of cooperation are subject to us drawing nearer to the EC; therefore, it involves prior cooperation in the economic and political spheres.

Regarding talks with my Austrian counterpart, Mr. Fasslabend, we reached some concrete agreements. After the first visit of our delegation at the Austrian Defense Ministry a few months ago, the cooperation at various levels intensified remarkably. Concrete agreements were reached during the last visit. First, both countries will soon exchange military attaches, that is to say, Austria has proposed this. Second, Austria is now also willing to sign a defense agreement similar to the one we signed with Hungary. Third, the Austrian defense minister announced that he will visit Slovenia in the near future. [end recording]

Drnovsek Receives Carinthian Slovenes

AU0411213992 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 4 Nov 92

[Text] The willingness of the majority nation to resolve the problems of the Slovene minority in Carinthia varies, but, the minority issue nevertheless continues to be unresolved. This was stressed by representatives of the Carinthian Slovenes who held talks with Slovene Prime Minister Janez Drnovsek and Foreign Minister Dr. Dimitrij Rupel today prior to the visit of Austrian Chancellor Vranitzky to Slovenia.

Matevz Grilc, chairman of the National Council of the Carinthian Slovenes, listed several unresolved issues. His opinion was that an Austro-Slovene agreement should be considered that would resemble the agreement that Slovenia will, according to Rupel, sign with Hungary in the next few days.

Refugees Protest Transfer to Military Barracks

LD0211192592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1233 GMT 2 Nov 92

[Text] Ljubljana, 2 Nov (TANJUG)—About 240 refugees from Bosnia-Hercegovina accommodated in the Hrusica refugee camp near Jesenice continued their hunger strike because of the decision that they have to move to military barracks throughout Slovenia. The refugees, mainly Muslim women and children, are refusing food and are demanding to remain in Hrusica. The first protests began last week when more than 100 refugees were moved out of the center under pressure. The opposition has now been organized and the refugees have indicated that are ready to prevent the transfer by any means.

Federal

Cosic Not To Run in Upcoming Elections

LD0511151692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1450 GMT 5 Nov 92

[Text] Belgrade, 4 Nov (TANJUG)—President Dobrica Cosic today said that he would not put his name forward as a candidate for any political post in the upcoming elections. At a news conference in the Federation Palace, Cosic said that he had not decided whom he would lend his support in the elections. I will decide about this, he added, when I read their programs and see their concepts.

Panic Hails Clinton Victory

LD0411175692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1620 GMT 4 Nov 92

[Text] Belgrade, 4 Nov (TANJUG)—Federal Prime Minister Milan Panic has voiced hope that the election of Bill Clinton as U.S. President will have a positive impact on a speedier resolution of the Yugoslav crisis. In a statement for TANJUG, Panic also said in connection with Clinton's victory that the new President will appreciate Yugoslav peace efforts.

Bill Clinton's victory made me happy for two reasons, Panic said. The first is that the will of the American people has been expressed freely in democratic elections in that country; second, I was a member of the Democratic Party.

Under the U.S. system, the President's personality has great significance for overall national policy, which undoubtedly reflects on the situation in the entire world. I have in mind here above all relations between the superpowers, the accelerated process of disarmament, the introduction of equal economic and political relations, and the extinction of crisis flashpoints.

I believe that in this context, Mr. Clinton will have a positive impact on a speedier resolution of the Yugoslav crisis, which is one of the most serious flashpoints of instability not just in the Balkans but further afield. Yugoslavia will do everything it can to develop across-the-board relations with the United States on the basis of accepted international principles. This will include our efforts to elevate as soon as possible the traditionally good relations between our two countries, allies in both world wars, to the level at which they were until recently.

In this connection we expect that in direct contacts with the new U.S. Administration all that has marred our relations will be removed. In this instance we are bearing in mind that with the end of the U.S. elections the pressure that burdened President Bush's administration because of the election campaign has ceased. Naturally, we appreciate all the positive things that President Bush has done on the international scene over the past few years.

The new President Clinton, I am convinced, will take into consideration our peace efforts, and will help us, by using democratic methods, to restore peace on the territory of former Yugoslavia as soon as possible. That would also represent the recognition of our efforts to remove the causes of sanctions, whether just or unjust. In this too we have received support from others.

Such an orientation would lead to the speedier abolition of sanctions and the dignified return of Yugoslavia to the world scene. We believe that this is also in the interest of the United States and every move by the U.S. Administration to this effect will be warmly welcomed, the Yugoslav premier told TANJUG.

Belgrade Radio Assesses Election

AU0411205092 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 4 Nov 92

[Commentary by Slobodan Kovacevic]

[Text] My fellow Americans. With high hopes and brave hearts.... These were the first words of the victor Bill Clinton, words that are identical to those pronounced by his great predecessor, also a Democrat, John Kennedy, exactly 30 years ago on the same occasion when he was told that he was elected president of the United States.

Clinton obviously wanted to end the flirting with Kennedy's image over the last months of campaigning in great style, which did happen after a real election triumph by the Democrats. So, the slogan that says the time is ripe for changes has won, the slogan that has been raised so many times on all pre-election meetings throughout the United States. The Unites States has obviously thought that this is the right time to opt for fundamental changes, something that was only possible by voting for the Democratic candidate and his election program.

It is certain that the analysts studying this year's presidential elections in the United States will spend a long time trying to establish the reasons for Clinton's convincing victory and the causes of the defeat of the now former President George Bush. However, one thing is quite certain. Bush was defeated by his economic policy. It was proven that this was the crucial factor for ordinary citizens to make their decision.

President Bush inherited the recession—the cancer wound of the U.S. economy—from the last year of Ronald Reagan's term of office. However, his administration failed to find a key to the problems during the entire period of four years in office.

Successes in foreign policy, sometimes even spectacular, however much they appeal to the widest strata of the population, could not make up for this essential defect. The voters simply became aware of the fact that, regarding the economy, their great country dropped back behind its competitors several more steps in the last four

years and after what appears to be the illusory success during Reagan's first term of office.

The Americans cherish success almost to the level of a cult, having little or no understanding for failure. The brilliant pre-election rhetoric of the former president did not manage to eliminate this fact either, neither did his appeal to the voters to give him a chance to complete in the next four years the work that he had started.

Ross Perot deserves a particular place and analyses. Everyone agrees that with his authentic populism and demands that America turn toward the Americans, releasing throwing poisonous arrows at the current hardened system in Washington, he in fact accomplished a great amount of work for the Democrats and significantly contributed to Bill Clinton's victory.

This was most certainly not his intention. If the new president does not keep his pre-election promises, the impression is that he will soon become a target of Perot's supporters, of whom, as the elections show, there are already some 20 million. This is a figure which must be seriously respected even in the United States.

'Careful Realism' Expected

AU0411212892 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 4 Nov 92

[Commentary by Tatjana Lenard]

[Text] America has a new president. After 12 years of Republican rule, a Democrat will move into the White House again. By voting for 46-year-old Arkansas Governor Bill Clinton, the Americans actually voted for changes, primarily in the domestic sphere. They were tired of the previous presidential pack, in which the problems of the Middle East, Afghanistan, and the Balkans were of a higher priority than the problems of an American citizen, weighed down with recession, unemployment, and social despair. Instead of George Bush, who brought the role of world policeman to the United States, the voters looked for a good housekeeper this time. Instead of the man who brought down the Berlin Wall, with the help of Gorbachev, of course, a man who brought the ideological enemy—communism—to its knees, stopped the Cold War, and introduced the new world order, the United States, by voting for Clinton, demonstrated that a shirt is closer to the skin than a coat, and that it would rather opt for the economic revival of the country, employment, lower taxes, and medical insurance for the poor, than for indisputable proofs of the United States' prestige on the international scene.

Bush's main trump card—successes scored in foreign policy—was of interest to only 8 percent of the electorate body. In the presidential race, even the victory of the Gulf War was disputed. Namely, it was noted that the results of the war were two burnt-down countries and an intact Saddam Husayn. The lowest rate of production growth in the United States in the last decade totaling a meager 0.6 percent, enormous budget expenditures, especially for the military, and a foreign trade deficit were far more glaring. All of this indicated that there was nothing good at stake for the young America. That is precisely why Democrat Bill Clinton won the majority of votes of those who voted for their future. The fact that Clinton's promises are not merely pre-electoral gimmicks is proven by the already compiled program of America's reconstruction—an investment economy package worth $20 billion, which will soon find its way to Congress.

While Bill Clinton's political offers in the domestic sphere were rather precise, it is still not known what kind of foreign policy the new U.S. Administration will conduct. The analysts believe that it will remain faithful to the present strengthening of U.S. influence in the world and the peculiarly unequal partnership with Russia.

The Balkan knot and the U.S. engagement in the resolving of the Yugoslav drama will remain the main challenge. However, despite the radical messages made in the electoral campaign, including sable rattling, it can be expected that, bearing in mind that the Yugoslav crisis is a dangerous and risky puzzle for the new administration, instead of hasty moves, a careful realism will prevail that will not threaten other promises made to the U.S. voters.

Academic Predicts Clinton Policy

LD0511142692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1042 GMT 5 Nov 92

[Excerpt] Belgrade, 5 Nov (TANJUG)—The election of the Democrat Bill Clinton as the new president of the United States will most likely signify a major turnabout in U.S. foreign policy, Dr. Predrag Simic, director of the Institute for International Politics and Economics, said in a statement to TANJUG.

However, it is possible that the deteriorating political situation in Yugoslavia and Bosnia, as well as the coming winter, which, according to some estimates, could cost 150,000 lives, will force Clinton to opt for a military solution, Simic stressed.

This could be the major action Clinton will need to promote himself as a strong American president, capable of consolidating American leadership in the post cold-war world and to use Yugoslavia as a message to the people of the former USSR where, in fact, potentially more serious problems are likely to surface.

In view of the above, optimism in this country to the effect, "Thank God, we are rid of Bush," is not based on solid foundations and, according to Simic, would be justified only if the logic of peace is to prevail here.

If, however, the logic of war prevails, a commentary by the BBC on 2 November, which said that there is no other option but the use of force, could prove to be correct and would be in line with a scenario drawn up by George Kenny (a specialist on Yugoslavia in the State Department who resigned on 25 August because of his

disapproval of the policy advocated by the London conference) in which he insists on military intervention.

If, in addition, we take into consideration a warning by the WASHINGTON POST that Yugoslavia is costing not just human life but also a strategic potential, the use of force in that case could imply the lifiting of the embargo on arms deliveries to Izetbegovic's [Bosnian president] government (as initiated by Turkey), military training for Muslim forces, and air exclusion.

If this premise is correct, any substantial deterioration in the situation here would force Clinton to do what Bush never dared, Simic stressed. [passage omitted]

Panic Rated More Popular Than Milosevic

LD0411134292 Belgrade TANJUG in English 1130 GMT 4 Nov 92

[Text] Belgrade, November 4 (TANJUG)—Citizens of the Yugoslav Republic of Serbia believe that Yugoslav Prime Minister Milan Panic is more competent, honest and politically stronger than Serbian President Slobodan Milosevic, according to a public opinion poll.

Belgrade public opinion research centre medium [as received] whose results were published by the Belgrade daily POLITIKA EKSPRES on Wednesday [4 November] said that citizens gave grades from -2 to 2, for total disagreement and total agreement concerning questions asked.

In opting between dishonest-honest, citizens gave Panic 0.54 and Milosevic 0.23, competent-incompetent brought Panic 1.05 and Milosevic 0.3, and assessment of political strength gave Panic 0.52 and Milosevic 0.44.

The greater part of the public believes that Milosevic is a man of the past and Panic a man of the future, according to the survey.

56.4 pollees agree with Panic's vision of the future, while 15.5 percent disagree. 53.8 percent agree that Panic is greatly esteemed by the world, while 8.3 percent do not believe this to be the case.

That Panic is the country's last hope in resolving the crisis is believed by 38.2 percent of the polled, while 28.9 percent disagree.

42 percent of the citizens believe that panic cares sufficiently about Serbian interests, while 29.5 percent think differently.

The poll was conducted in 37 municipalities in Serbia minus the Serbian province of Kosovo and Metohija and was commissioned by the Belgrade daily POLITIKA EKSPRES.

TV Commentator Says Panic Has No Legitimacy

AU0511095092 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 4 Nov 92

[Commentary by Ratko Dmitrovic]

[Text] After yesterday's vote in the Federal Assembly, it is uncertain whether those who claim that continuation of Prime Minister Milan Panic's policy could cause civil war in Serbia or lead to a crisis in relations between Serbia and Montenegro are right, but it is certain that the government was given the green light thanks above all to the confederal elements contained in the FRY Constitution. In both chambers of parliament 42 deputies expressed support for the Panic government's efforts so far, while as many as 110 deputies were of the opinion that this government's policy is wrong, above all from the point of view of Serbian national and economic interests. Formally speaking, the parliament did not vote no confidence in Panic's government. In effect, this government enjoys the confidence of not even one quarter of the Federal Assembly. The situation being as it is, there is no reason to speak about any kind of legitimacy of the Federal Government in the period until the elections, there are only some apparently inevitable moral principles.

What undoubtedly worries the Serbs and should also worry Panic's cabinet is the fact that the federal prime minister is supported by the same international political factors that thrust the Yugoslavs into this bloody drama, have satanized Serbs to unthinkable proportions and have done their best to make a national minority out of almost one-third of the Serbian people by separating it from the its main corpus. It is clear that this bunch of politicians has been applying to Milan Panic a formula that made of the once strong Soviet leader Gorbachev an appropriate political figure with only the Nobel Peace Prize left in his pocket. Lord Owen [cochairman of the Geneva Conference on Yugoslavia], Alois Mock [Austrian foreign minister], and Andrey Kozyrev [Russian Foreign Minister] have given their full support to Premier Panic but are not giving him oil for the winter or allowing him to trade with the world.

The Federal Republic of Yugoslavia has been fulfilling the conditions set by UN Resolution 757, but nobody has as much as mentioned the lifting of the sanctions. On the contrary, whenever somebody remembers, he adds new ultimatums to them.

As he has said himself, Milan Panic is not a politician. With time his real role will be clearer. However, one can by no means say that Dobrica Cosic has no political experience and that he does not know things that Panic probably does not even have any interest in.

If modern politics is trade—and we can see that it is—each concession by one side must result in a concession by the other side. As Cosic knows very well, the Serbs have not been given a single concession for all the compromises they have made so far. Why?

Cosic on Deepening Differences With Milosevic

93BA0079A Belgrade POLITIKA in Serbo-Croatian 16 Oct 92 pp 1, 5-6

["Exclusive" interview with President Dobrica Cosic by Momcilo Pantelic, editor in chief of POLITIKA; place and date not given: "Cosic: A Time of Change"]

[Text] We can get out from under the sanctions and out of the crisis by rational, peaceful means, and democratic changes—that is the main theme of the exclusive interview which Dobrica Cosic gave to POLITIKA in a conversation with its editor in chief Momcilo Pantelic. On that occasion, the chief of state provided answers to a considerable number of questions in which the domestic and world public have shown quite intense interest. Some of the topics discussed were the need for elections, strategy for getting out of the international blockade, constitutional reforms, relations with the president of Serbia, the need to create a new state, opportunities for normalization of relations among the republics of the former Yugoslavia, and the proposal that of the three republic presidents only one presidential office remain....

[Pantelic] We are today at a crucial crossroads: Can we get out of this situation, for the first time, by rational and peaceful means, while many fear a civil war?

[Cosic] Yes, we can! But not the way we are now and not the way we are all behaving now. The people of this country have good reason to fear civil war. Our external enemies would like to see it and are encouraging it. With their hatred, their unreasonable policies, and base passions, feebleminded people here at home are plunging into disorder and conflicts that could easily end up with gunfire.

Our political intolerances are vulgar and appropriate to bandits. And there are so many armed "anticommunists," "democrats," "Serbs," "chetniks," and "volunteers" that strict laws are needed, strong and unbribable courts, a rational government, a spiritual and moral renewal, if we are to save ourselves from the abyss we face.

[Pantelic] What do you expect the elections to change in our society and state?

[Cosic] I expect a triumph of democracy. I expect that the free political will and historical maturity of our citizens will be confirmed in that they will elect as deputies the best people that our society has today. If that does not happen, a political crisis will be provoked, and the present antagonisms will be magnified by new ones, and they will slow down the social and economic transformation of society, and our unusually difficult position in the world will be made still more difficult. The coming election does not decide only the issue of democratic government; the outcome of this election could have a decisive influence on the survival of our state and on the life of the people of Serbia and Montenegro.

[Pantelic] When are you scheduling the elections?

[Cosic] The political parties taking part in the roundtable have not yet agreed. The most serious dispute is about the number of electoral units in the proportional election system. The question of whether the Federal Assembly will pass election laws depends on that dispute. Until they are adopted, I cannot call an election. I have the impression that some parties are trying to win the election before it is held.

Neither the government nor I have the right to render a verdict in this painful dispute, which is not just a matter of principle. I await their agreement and understanding, restless and concerned for the survival of our state and our future.

[Pantelic] What will be the pace and the direction of the constitutional reforms you have announced?

[Cosic] I have felt it indispensable for the present Assembly to form a competent constitutional commission that would prepare the draft of a constitutional reform of the state that came about through the union of Serbia and Montenegro. That basic law, as I conceive it, should intelligently straighten out the entire organization of the state, should in a democratic and rational way establish the main government institutions and internal jurisdictions, abolish the elements of Brioni confederalism, that is, to stipulate and guarantee a comprehensive and well-thought-out transformation toward a free society, toward the rule of law and a contemporary integral democracy. Put most simply: We need to create a law-governed state that is as inexpensive as possible and is equally good for both Serbia and Montenegro. My proposal has not been honored. This important and large job is being left to the future Assembly. I am not convinced that that postponement is a good thing.

[Pantelic] Do you expect that in addition to internal consolidation, there will also be a rehabilitation of our country's international position:

[Cosic] I am convinced that without political, that is, democratic, consolidation of our state, we cannot successfully solve any major problem of our exceedingly grave international position. We can return to the international community and be an equal member of it only as an authentically democratic society. That certainly is not the only condition for getting out of the blockade in which we have found ourselves, but it is among the first and the one that we can fulfill.

[Pantelic] How do you see the end of this year and the beginning of the new year: as a change of direction or commencement of the long road of gradual changes?

[Cosic] In principle, I favor evolutionary social change. We have had enough of "revolutionary changes," of political removals from power, and chaos. But we do

need a quite radical change of direction toward the imagined evolutionary changes. I expect the end of this year, 1992, and the beginning of 1993 to be at the height of that change of direction. Perhaps sweeping changes will come with the winter wind.

[Pantelic] You enjoy a reputation, among other things, as a political visionary. How do you foresee development of our domestic and external relations over the short and long term?

[Cosic] Today, anyone who has any intelligence knows what is going to happen tomorrow. What I believe in is this: We have to work today on behalf of the day after tomorrow. If we do not do that, the day after tomorrow will be the same as our tomorrow.

An Epochal Disruption of the Equilibrium

[Pantelic] In your opinion, why have we come into this unenviable position, probably the most critical in our recent history of relations with the world? We seem no longer to have a single friend.

[Cosic] The answer to your question will comprise an entire library, and it will be written by two or three generations. On this occasion I will indicate only the overall outline of a possible answer to the question you have put to me.

Earth-shaking disruptions of the constellation of the world community in which Yugoslavia managed to be a stable state, because the relations between the two military blocs and two world systems afforded it that stability thanks to Broz's rational and skillful tightrope-walking policy—are the objective background, as you put it, of the "most critical position in our recent history." So, that epochal disruption of the balance of power in the world community made Yugoslavia a state which Europe and the world can do without and whose nonexistence is useful to the dominant European and world factors.

Those international circumstances were extremely favorable to the internal disintegrative and secessionist forces, which have been active since Yugoslavia was created. Serbia and Montenegro, by virtue of their national and historical being, in their very drive for existence have been opposed to the internal and external enemies of Yugoslavia, and by virtue of that resistance of theirs, by virtue of their refusal to consent to disintegration of the Serbian nationality and to a weak and insignificant Serbia in the Balkans, arouse the fierce dissatisfaction and hostility of the states and ideology of the new world order.

Of course, the political regime in Serbia contributed quite a bit and is still contributing to our exceedingly grave position in the world. A segment of the opposition, with its ideologies and extremisms of all kinds, also bears quite a bit of responsibility for the disfigured way in which we are seen in the world and before the world.

We, Europe, and the Great Powers

[Pantelic] For decades we have been what Europe is now preparing for—a mixture of mentalities, languages, religions, cultures, and even systems. Have we been only a failed experiment which others should use so as not to repeat our mistakes?

[Cosic] First of all, I am not convinced that a unitary Europe will come into being. Ethnocentrism is an energy whose entropy is only apparent and only in transient spheres of civilization. Our "experiment" of which you speak had no chance of success, because it was based on ideology and was thereby historically limited. That beginning toward an integral multicultural community on Yugoslav soil was from the political standpoint and that of civilization the most important result of communist internationalism.

Unfortunately, it was inconsistent and was entirely subordinated to the general nationality policy of the Communist Party, which favored the freedoms and rights of ethnic and social minorities and restricted the freedoms and rights of the majority ethnic and social groups, which is in fact why that ideology experienced historical failure. But today external factors are decisive in the serious disturbance of ethnic, social, and spiritual harmony and internal tolerance of our multiethnic society.

[Pantelic] We seem no longer to have a single friend: What do you think about that general feeling of our contemporaries?

[Cosic] We still think and speak about friendship among nations and states in the old patriarchal and naive way. "Friendships" between nations and states are based exclusively on interests. And by and large they last only so long as those interests. We had friends so long as we were necessary and only as long as we were needed.

In this era, we needed in some way to serve the interests of the great powers or to subordinate ourselves to them completely. We had neither the strength and value for the former, and we were not spiritually and morally willing for the latter. But it is our identity that creates that unwillingness.

[Pantelic] How do you see future relations among the former Yugoslav republics? When can we expect mutual recognition?

[Cosic] Future relations with our former Yugoslav republics should be based exclusively on our own interests as a state. Normalization and mutual recognition are an interest and objective of our state, but our good efforts must be solely in the plane of reciprocity.

[Pantelic] For you, is the normalization of economic ties among the former Yugoslav republics a political or economic issue?

[Cosic] Normalization of economic ties among the former Yugoslav republics is a condition for normalization of the lives of a large number of citizens and for

creation of the necessary initial conditions for renewing mutual cooperation of firms over the entire space of the former SFRY [Socialist Federated Republic of Yugoslavia]. This issue is political insofar as expression of will in an agreement to restore the severed ties depends on the states and the governments. For example, to open the main highway, to establish telephone and telegraph communications, to open the oil pipeline, to resume mutual payment of pensions, to draw up a payments agreement, etc. It would, of course, be far better for some of these issues to be resolved at the level of firms, banks, insurance companies.

And when the necessary preconditions for economic cooperation are brought about, this will be an exclusively economic issue, and politically neutral. The Yugoslav economy should itself find its own interest in cooperating with enterprises from any country in the world, and so it is with firms from the states which formerly were part of the unified economic space of the SFRY.

[Pantelic] What are the economic prospects of Yugoslavia under the sanctions?

[Cosic] Yugoslavia finds itself today in a tragic and paradoxical situation. It is isolated from the world under the burden of sanctions at a moment when a radical change of the economic system has been announced, a system which presupposes maximum cooperation with the world. The change of economic system is the precondition of our journey into the world of market economies.

Because of the sanctions, we are today lagging more and more behind the European states, but we are also falling behind the states of what formerly was "real socialism," who along their painful road do not have to come up against abnormal external barriers. So, our economic prospects depend directly and decisively on the intensity and duration of the sanctions.

[Pantelic] Recently, you have intervened several times on behalf of peaceful resolution of internal political disputes. What are the main reasons for our protracted "disagreements"?

[Cosic] Ours is a markedly unstable society. Its economic and political content lie in unceasing ferment, stratification, and antagonism. That is why all internal relations are dramatic and tumultuous, and the policies of the political parties are always at odds with one another. They all talk about national unity as national salvation, but the only way to unite them, and then briefly, is to take power or defend power. We will be a society in crisis for a long time.

[Pantelic] You have met with all the key figures and representatives of the parties. Can we finally arrive at a minimal consensus on the minimum of joint objectives, a consensus without which no state can function?

[Cosic] As a rule, the policies of our political parties consist of short-term objectives, which is why they are unable to agree on a "minimum of joint objectives." That makes it indispensable to institute as soon as possible a strong law-governed state that would be the backbone of that fragile and loose social organism. The new state ought not to be centralist, but federalist and polycentrist in its internal structure.

[Pantelic] Which are more essential: differences between Serbs in their conception of national goals or differences in methods of achieving them?

[Cosic] Not counting the time of the civil war and revolutionary takeover, today we have the slimmest unity in conceptions of national objectives we have had in the last two centuries.

Abolish Two Presidents

[Pantelic] We have three republic presidents: What are the relations between you, Serbian President Slobodan Milosevic, and Montenegrin President Momir Bulatovic? Also, what are your relations with Federal Prime Minister Milan Panic?

[Cosic] The existence of three republic presidents in the Federal Republic of Yugoslavia is evidence, in my opinion, that our new state is not consistently a federal state. This is some kind of "three-story," "three-phase," composite state—bureaucratic, too expensive, inefficient. The new state has yet to be created.

My advocacy of radical constitutional reform, as I have already said, met with silence on the part of the Federal Assembly, it was ignored by the Serbian Assembly, and the Montenegrin attitude that they would do their own business in their own time. There are no wholehearted efforts for rational consensus, functional unity, and firmer community. I hope that the future constitutional reform will abolish at least two republic presidents and grant more rights to the assemblies and greater responsibility to one president.

My "Helmsman" Is in My Book

[Pantelic] In a recent interview with Radio-TV Serbia, Slobodan Milosevic, president of Serbia, expressed several reproaches of moves by the federal government, among them reserve toward the so-called "two-man shell with coxswain." Would you like to comment?

[Cosic] In his last interview on Radio-TV Serbia, Slobodan Milosevic, president of Serbia, spontaneously and convincingly made public some of his disagreements with my political views. He did not surprise me. There are reasons why the people should know the political differences between us. I have been making those differences public in my own interviews and in my last book *Promene* (*Changes*), but they have been obvious to any political literate man who has followed our public activity.

I was surprised only by Milosevic's perplexity—where is the capital of my "helmsman"? I replied: It is in my book.

Slobodan Milosevic and I differ essentially in our conception of democracy, the character of the federal state, and the strategies and ways of pulling the country out of the abyss it has been in. Those political differences between Mr. Milosevic and me are undoubtedly being deepened by events and time, which is understandable and inevitable.

[Pantelic] In that interview, Slobodan Milosevic also said that he would not have signed that kind of agreement with Croatian President Franjo Tudjman—as you did. If I understood Mr. Milosevic correctly, he said that he has important objections to the declaration which you signed with Tudjman and which he would not have signed. Can you tell us what those objections are? What is the difference in that respect between you and the president of Serbia?

[Cosic] In our brief talk about the joint declaration, which we—Tudjman and I, with the involvement of Messrs. Cyrus Vance and David Owen, cochairmen of the international Conference on Yugoslavia, signed in Geneva on 30 September of this year, Slobodan Milosevic reproached me because that declaration mentions the Serbs in Croatia merely as "local Serbs." I told him that the "local Serbs" were in the context of the position concerning the refugee issue, and that issue does not pertain solely to the Serbs from the krajinas, but to Serbs from all over Croatia. As far as I remember, he did not communicate any more essential objections to that declaration at the time.

Incidentally, it would be best for Mr. Milosevic to tell you all the things he does not agree with in the Geneva Declaration. This certainly deserves the attention of our public, because Slobodan Milosevic has persistently tried to leave the impression of a politician who does not make concessions when it comes to national interests. But he is suggesting to the public that I am displaying that dangerous characteristic in my negotiations with Tudjman. That certainly would not be good if it were true. It will turn out to have been about something else, not about our respective patriotism.

My Talk With Milosevic?

[Pantelic] Have you also, as Prime Minister Panic has done, according to what the foreign media write, called upon Serbian President Milosevic to resign? Can we expect removal of the sanctions without that resignation, and would they necessarily be lifted if he resigned?

[Cosic] Only he can make public the conversations I have had with Slobodan Milosevic. On whether his resignation would bring a removal of the sanctions, as many have been saying and writing, I do not want to take a position on that. And I am not certain that Slobodan Milosevic's resignation would remove the sanctions by itself.

But now that you have asked me, I will tell you: If there was as much written and said about my resignation in our country and in the world as is being said and written about Slobodan Milosevic's resignation, I would withdraw from government office to deprive the enemies of my people of that argument in support of the verdict pronounced against it. But let it remain a question of confidence in Slobodan Milosevic and let it be decided by the citizens who voted for him to be president.

[Pantelic] Will constitutional reforms change anything in the jurisdiction of the top level of government?

[Cosic] If we really want a law-governed, modern, and efficient state of citizens, then I am convinced that we need a thorough reform that would also embrace the jurisdiction of the "top level of government." We are persistent in our traditional use of national and state sovereignty.

I Have No Intention of Running in This Election

[Pantelic] Much has been said in public about the possibility of you, Panic, and Milosevic running or not running for the highest office. What is this actually about?

[Cosic] I do not know the political intentions of Messrs. Milan Panic and Slobodan Milosevic. That is their right and the business of the political parties. But if they seek my opinion, I would advise them not to run. I have no intention of running in this election.

I wanted the Constitution to allow me the right to be reelected by the new Assembly if I decided to continue in the office of president of the republic. The constitutional commission of the Federal Assembly did not allow that "privilege" for reasons which only that institution knows. The new Assembly and I will decide whether after the election I will remain in that most difficult and most uncertain job which I have ever done.

How To End the War in Bosnia

[Pantelic] What is the main international condition for removal of the sanctions: one of the written ones or some unwritten one?

[Cosic] I am more and more convinced every day: of the grounds for instituting the sanctions against our country that have been named, those unnamed are essential. They are also the most difficult. Some are even impossible to fulfill. And we are compelled to fulfill even those which we cannot fulfill.

One such condition is ending the war in Bosnia-Hercegovina. It is beyond my ken, for example, in what manner Serbia and Montenegro could halt the civil and religious war in Bosnia-Hercegovina, whose sovereignty as a state has been recognized by the European Community, the United States, and the United Nations. I really do not know how we can prove to the Security Council, the European Community, the Conference on Security and Cooperation in Europe [CSCE], and other international factors that we are not the aggressors against Bosnia-Hercegovina and occupiers of Kosovo and Metohija. In order to prove that and to remove the pretexts

and excuses for the military intervention, we have even been threatening our sovereignty in some of our decisions and concessions. But even that is unconvincing and insufficient to the European Community and the United States.

We have in fact become "small change" in all kinds of deals being cut in the marketplace of world politics, in which the truth and the destiny of small peoples, as has always been the case in the past, go for a song even today. Even in election campaigns, every attack on Serbia gets votes for the attacker!

In many places on our planet, indeed even in Serbia itself, Serbophobia is being used to prove devotion to peace, humanism, democratic spirit, emancipation, cosmopolitanism....

[Pantelic] What, then, are we to do?

[Cosic] As is well-known, it has always been true that some do everything for the survival of human beings and a people, and some cannot and will not do everything. We are a people who nevertheless cannot do everything. But now that people must do a great deal. Most of all—to endure it. It frightens me to think that we might not have the strength to fulfill the conditions for removal of the sanctions and to get out of the siege and concentration camp in which the forums of the world community have placed us.

[Pantelic] Does a danger really threaten the partitioning of Serbia and Yugoslavia unless we fulfill all the conditions that have been posed so far?

[Cosic] That danger is altogether realistic.

The Spiritual Core of Vuk's and Njegos' People

[Pantelic] The news is being propagated unofficially that the alliance between Serbia and Montenegro might be in jeopardy. Is there truth in that?

[Cosic] Only certain political parties and their leaders are dissolving the alliance between Serbia and Montenegro. The authorities of both republics have not been persistent or speedy enough in building that alliance. But that state alliance of Serbia and Montenegro is in the soul and blood plasma of the people. Whoever dissolves it, dissolves the very soul, the very spiritual core of Vuk's [Karadzic, 19th century Serbian philologist and writer] and Njegos' [19th century Montenegrin prince] people. If in these days our evildoers succeed in breaking up the joint state of Montenegro and Serbia, that is the beginning of unprecedented suffering of our peoples.

[Pantelic] How do you reconcile the status of writer and statesman—an artist cannot but have doubts, while a politician must decide?

[Cosic] I do not reconcile them. My literary workshop is empty. My desk is piled high with someone else's paper. But in the decisionmaking in which I take part, I am tormented by greater and more painful doubts than those of a novelist.

[Pantelic] Do you nevertheless have time even today to write novels, essays?

[Cosic] I have neither the time nor the strength for my job as a writer.

[Pantelic] The story is going around that now for the first time since 1951 you have your own office. Are you getting used to it?

[Cosic] Probably because since 1951 I have not had an office, now I have been rewarded with the most spacious and unpleasant office that exists on the Balkan Peninsula.

[Pantelic] Are you keeping a journal of your days as president?

[Cosic] Stenographers are recording something of my "days as a president." Perhaps my associates as well.

[Pantelic] You have renounced the president's salary, you have reduced expenditures for entertainment and public relations.... Is that your life-style, or is this dictated by the serious circumstances?

[Cosic] As soon as anyone tried to pay me or reward me in some way for what I am doing, I would immediately give up my present duty. It is only the readers of my books who worry about me.

[Box, p 1]

The Sequence of Steps To Get Out of the Crisis: First, the Election....

[Pantelic] What, in your opinion, is the sequence of steps to get out of our crisis?

[Cosic] It seems to me that that sequence might go like this: 1) democratic elections as soon as possible; 2) formation of a government that would conduct a new policy as an expression of the political will of the majority of citizens in both republics; 3) fulfilling the realistic demands for removal of the sanctions; 4) constitutional reform and building a law-governed, efficient, and inexpensive state; 5) normalization of political and economic relations, communications, and other aspects of life and cooperation with neighboring states, Europe, and the entire world; 6) formulation of a new development policy; 7) rebirth of the entire organism of society and the state; 8) a harsh and persistent fight against corruption, theft, influence, immorality, and crime of all kinds....

We need, then, a great deal of intelligence and integrity, a great deal more work, sacrifice, solidarity; we need political and civil tolerance and human goodness in order to stride out of this life, which is difficult and increasingly insupportable for the immense majority of our country's citizens.

[Box, p 5]

I Read POLITIKA Regularly

[Pantelic] What do you think about the place and role of the public media, of POLITIKA in particular?

[Cosic] Contrary to the general opinion, I do not believe that power can be defended or taken with television. I still believe in the good sense of this country's citizens, in the political intelligence of the survival of our people, in its instinct for survival today. I do not believe unconditionally in objective newspapers and objective television, that is, in objective writers and newsmen. They all have their own truths and their own information. I would like for someone to give me the name of a completely objective newspaper and an objective television station in this world. But let us not argue about cognitive limitations.

I think that there are objective reasons why we must strive for a freer and more responsible public opinion and speech and for us to be dissatisfied with our public speech and the media. In our media, but particularly on television, freedom of speech and responsibility for the truth and human dignity are not in harmony and in a symmetrical relationship. In any case, we have no right to be satisfied with the use and abuse of the public media.

Without waiting for our general political and moral culture to spontaneously rise to a higher level than at present, I am convinced that the public media should be put on new institutional foundations. We need to reduce the possibility for all kinds of manipulations by centers of political and financial power and legislate intellectual and moral discipline and responsibility in use of the public media.

As for POLITIKA, I do not think about it, I merely read POLITIKA regularly.

[Box, p 5]

Tardiness as the National Destiny

[Pantelic] The fall of the bolshevik system in the East and the end of the world's bipolar arrangement seem to have caught us unprepared. We were tardy both in our internal and our external adaptations, and after being a proper bridge between West and East, we became a footbridge which no longer connects anything, but is only in the way.

[Cosic] You are right! The gravest historical trials found us altogether unprepared. But there is a great question as to whether we even could have given up the Yugoslav idea immediately after Tito's death, an idea on whose endurance we have spent the most valuable strength we had and historical time that cannot be made up. Certainly, we could have changed the political system more quickly, we could have been building a modern economy and a law-governed state. But tardiness in development and changes is our national destiny. That is the vital weakness of our nation. The lack of that energy, of that consciousness, is general: That energy and that consciousness are not displayed either by political, nor economic, nor cultural factors, so that our entire society is old and neglected.

Federal Trade Minister Interviewed

93BA0081C Belgrade POLITIKA in Serbo-Croatian 13 Oct 92 p 11

[Unattributed interview with Federal Trade Minister Dr. Branko Maricic; place and date not given: "Neither Ration Stamps Nor Coupons"]

[Text]*The Federal Government is assuming from the republics responsibility for the market, but not blindly; no classic shortages are expected because, with the exception of petroleum, only prices are to blame for this; buying has been cut in half, while supplies have been reduced by one-fifth; process for lifting sanctions at the New Year.*

The Constitution orders the federal government to assume control over the Yugoslav market: prices, supply, imports and exports, the protection of domestic production, and legal regulations and controls. Dr. Branko Maricic has held the post of federal minister for trade for just one month; however, he is not uninformed about the flow of goods and the changes being prepared by the cabinet of Prime Minister Milan Panic. Most of all because he was the assistant secretary for trade in the former government of Ante Markovic, and is moreover a professor at the Belgrade School of Economics. He talks to POLITIKA about the intentions of the government and the ministry that he heads to establish the [word indistinct] market economy.

[POLITIKA] Do we have a market?

[Maricic] We have long been convinced that we have a market for goods and services, but not for capital and labor. Import controls have fettered competition, however. The disintegration of Yugoslavia and now the blockade have halted everything. The federal government is categoric in its commitment to develop the market in all its segments: goods, services, capital, and labor. Our overall economic concept is based on market principles.

[POLITIKA] There are many people directing the flow of goods: the federal and republican governments, monopolists, black marketeers, and even labor unions?

[Maricic] There is a collision of responsibilities between the federal and republican governments. According to the FRY [Federal Republic of Yugoslavia] Constitution, part of that job should be in our hands. We are in a phase of negotiating and assuming responsibility, but not blindly. We must first come up with a diagnosis of the situation on the market, so that we know what we are inheriting and what else we will undertake.

The labor unions can organize the purchase of certain goods, naturally in minor quantities, but this sort of distribution should not be a practical way for us to control the shortages. Nor should that role be played by the managers of commodity reserves, because that would mean a suspension of the market.

For Fewer Price Controls

With regard to black marketeers, a distinction must be made between the gray economy and the black market. The gray economy actually fills in the gaps where wholesale trade is not interested in engaging in that type of sale. Of course, it must be regulated, registered, and subjected to tax obligations. However, the black market is unacceptable and must be blocked.

[POLITIKA] In the Serbian Government there is talk of coupons for basic foodstuffs. Is this their responsibility or yours?

[Maricic] Unfortunately, a large number of prices are still their responsibility. We are in contact, we are working on a transfer of authorities, but not blindly, I repeat. We are not even considering ration stamps and coupons, at least not for now. On the contrary, we are in favor of curtailing price controls.

[POLITIKA] There is also this absurd aspect: The prices of wheat, oleaceous plants, and sugar beets are set by the federal government, while those of flour, bread, cooking oil, and sugar are set by the republican government?

[Maricic] There is a great deal of misunderstanding about the protective prices fixed by the federal government. This is not a market price, but rather a safeguarding price, meaning that it compensates the farmer for his inability to sell his goods, reimburses him only for expenses without accumulation. Another thing is that we have no subsidies for agriculture. That can be resolved by an integral economic policy. Prices that tie in with the finalization of produce are in fact the subject of talks on a transfer to our jurisdiction.

[POLITIKA] The producers have cooking oil and sugar, as do the black marketeers, but there is none to be found in the stores?

[Maricic] The reason is the prices. This is detrimental both to the producer and to the consumer. The shift in prices is followed a dramatic rise as producers try to make up for everything they lost, including storage charges in stores. Thus, what is needed here is not coupons, but rather realistic prices and confidence in the market.

[POLITIKA] The crisis favors the black market. Can we restrict that even if we cannot liquidate it?

[Maricic] We can through maximum liberalization for goods that are in adequate supply. It is true that prices will be higher, but no higher than they are on the black market, and they will be on the free market.

[POLITIKA] Prices and wages [passage illegible]. How can they be tamed?

[Maricic] Prices, wages, and the exchange rate are [word illegible] of the economic program on which the government is working at an accelerated pace. I am certain that there will not be as many restrictions on wages as appears to be the case in Serbia right now.

Private Businessmen Defend Against Shortages

[POLITIKA] The blockade has isolated us from the world, but nevertheless private businessmen have goods for import.

[Maricic] Thanks to the development of the private sector, we have a relatively good supply situation. It is more flexible and easier to import smaller quantities of goods. According to SDK [Public Accounting Service] data, of the 21,836 commercial firms, 20,385 (93 percent) are private, 791 (4 percent) are state-owned, and 687 (3 percent) are mixed. Compared to last year, there are even fewer private merchants. If it were not for them, we would certainly be in a bigger mess.

[POLITIKA] You are an advocate of as little state involvement in market events as possible. Do you feel that way under these conditions as well, where there are increasing shortages of goods without which life is threatened?

[Maricic] Aside from gasoline, there are still no shortages here. With milk, there is a different problem: the development of cattle-breeding has been neglected, and because of the depressed prices the farmer is not stimulated to produce. There is a greater drop in demand than in supply. Our ministry estimates that by the end of the year the level of purchasing will be one-half that of last year while the supplying of the market will be reduced by one-fifth. For this reason, we still do not expect classic shortages. It is true that we will have fewer goods from abroad, and that they will be more expensive and of poorer quality.

[POLITIKA] The purchase of wheat from this year's harvest is half of what is needed. Could there not be a shortage of bread?

[Maricic] The involvement of state agencies in reserves contributed to these misfortunes. They suspended the trade in wheat on the market. But despite this we maintain that the purchased quantities and transferred reserves will provide enough bread for everyone.

[POLITIKA] Are there still both federal and republican agencies for reserves?

[Maricic] Yes there are! The problem is not their number, but rather their cooperation with one another. For example, the federal commodity reserves must function as the republican reserves. Their transformation will move in the direction of becoming independent and self-financing. They cannot be a burden on the state, so that no consideration is being given to having them serve

as suppliers by way of the labor unions, which some are advocating. Prices there must be lower than in trade, they cannot be profiteers, but they must do business based on profit considerations.

[POLITIKA] You are criticized for delaying a macroeconomic project, which is also having a negative effect on the market supply?

[Maricic] We are working on this intensively. People of know-how and experience are involved in this project. Previously we were unable to do this work; we were giving top priority to peace, the lifting of the sanctions, and the democratization of society. Controlling inflation, and thus the market and prices, will have a central place. The delays in the project are not the reason for the poor supplies to merchants.

[POLITIKA] [passage indistinct] laws on economic relations with foreign countries. [passage indistinct]

[Maricic] The liberalization of imports of foreign goods will be gradual, as this is already being done in countries with a market economy, in the European Community. We must make our region attractive to foreigners through various exemptions in customs duty and elsewhere. We will protect it to the extent necessary, but in no sense obstinately. The presence of imported goods in overall consumption cannot threaten domestic producers, but can have an essential effect on their prices and quality, encouraging them to struggle for profits.

Elections, and Then Deblockading

[POLITIKA] [passage indistinct] best to live from reserves. Is that a [word indistinct] in a market economy?

[Maricic] Under our conditions, it is better to have a current commodity in reserves than foreign exchange in "Dafiment Bank." And that is the consequence of the suffocation of market competition.

[POLITIKA] Some economists contend that the distributive economy will remain in place even long after the lifting of the blockade?

[Maricic] I believe that that will not happen. Oil, imports, and exports will get moving, business contacts will be quickly reestablished....

[POLITIKA] These are hard times, poverty is on the rise, and there are increasingly vocal advocates of a leveling in distribution. Would this mean abandonment of the labor market?

[Maricic] There is no way that there can be leveling. This is temporary disregard for social justice, while the consequences are enormous. And that would be a retreat from the market.

[POLITIKA] Your ministry has always been caught in the cross fire between producers, merchants, and consumers. In fact, the more you interfere in the flow of goods, the more you are targeted?

[Maricic] We actually want to be targeted as rarely as possible, for our regulations to be as minimal as possible. The new law on trade, which will be enacted by the end of the year, will turn all types of ownership into commercially equal and mutually competitive types. Relations will be cleared up by economic force, while sanctions will serve to establish legal order. Producers and merchants will always exert pressure for higher prices. We will satisfy such appetites with imports.

At the same time, we do not have any developed consumer organizations, which are an important factor in defending ethics on the market. We will try to make the influence of consumers greater than that of our ministry.

[POLITIKA] Finally, what is your prognosis about the lifting of the blockade—gradually or all at once?

[Maricic] It all depends on the elections. Faster democratization means a faster lifting of the sanctions. Otherwise I do not believe in sudden relief. I believe that this will happen gradually, although economic activity will precede these controls. My assessment is that in 1993 we could begin with the process of relaxing our isolation from the world, Federal Minister for Trade Dr. Branko Maricic said optimistically.

[Box, p 11]

Return of Free Shops

"Duty-free shops have not even been closed in Montenegro. We are considering the possibility of bringing them back all across Yugoslavia. If this serves to improve supplies and eliminate shortages, and I am convinced that it does, then there is no reason to prohibit their operation. All in all, we are the initiators of resurrected stores selling foreign goods bought for foreign exchange, because we figure that the people have foreign currency," says Dr. Branko Maricic.

[Box, p 11]

Gasoline for Foreign Exchange

"Prices must be made uniform on the unified Yugoslav market, especially for petroleum derivatives. Coupons make sense only if they have an exact value in terms of quantity of gasoline. In Montenegro they have already begun to sell fuel for foreign exchange even to local consumers. We are watching how this goes, and will probably decide to do this for the entire country. The pumps in question would be specially marked and this would represent some sort of currency exchange office while at the same time a gasoline sales location for convertible currency. This would also put an end to coupons," explains Dr. Branko Maricic.

Serbia

Opposition Leaders Comment on Upcoming Elections

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[Editorial Report] Belgrade RTB Television Network in Serbo-Croatian at 1830 GMT on 4 November carries in its regular 65-minute newscast recorded statements by the leaders of several Serbian opposition parties on whether they will take part in the forthcoming elections.

According to Dragoljub Micunovic, president of the Democratic Party, "the adoption of the electoral law in the Serbian Assembly, which envisages elections to be held in nine electoral units, is encouraging. This is proof that it is possible to reach an agreement when there is goodwill for it and when people realize that it is very important that the elections should be held.

"I hope that we will carry on with this spirit of searching for compromises and tackle other disputes about television and some other details. I hope that we will overcome all this. The Democratic Party is ready for elections and wants to take part in the elections. I hope that it will be running in the elections on 20 December."

Vuk Draskovic, leader of the Serbian Renewal Movement, says that "the elections will be held but not under the present conditions. The main condition for elections, the lifting of the blockade of the Television of Serbia, has not been fulfilled. Just as in the 1990, dust has been thrown in our eyes. Parties will present themselves on the second channel. A schedule has been drawn, and now we have lumped together parliamentary and nonparliamentary parties, and existing and nonexistent parties in Serbia. There are over 120 of them. This is a circus that will confuse the viewers. For instance, Depos [Serbian Democratic Movement] and some Gynecological Party or Anthropological Party will be treated in exactly the same way.

"At the same time, on the first channel and on other channels, the ruling party will quietly promote itself, either directly or indirectly. There will be interviews by the head of the state. They will be repeated several times a day. After all, the television is headed by a member of the top leadership of the ruling party."

Vojislav Seselj, leader for the Serbian Radical Party, says that his party "has decided to take part in federal, republic, and local elections. We are very happy that the federal and republic elections are being held on the basis of the proportional electoral principle, which guarantees that the balance of powers in the assembly bodies corresponds to the balance of power among the Serbian people, that is to say the citizens of Serbia and the Federal Republic of Yugoslavia."

Vojislav Kostunica, leader of the Democratic Party of Serbia, says that his party has "recently stated that it will take part in the elections, but not under the current conditions. These conditions have been somewhat changed, that is to say improved, by yesterday's decision that the number of electoral units in Serbia be nine. However, many other equally important conditions for the elections have not been changed or improved. Besides, there are presently many disagreements about conditions for the federal and republic elections. I think that, despite the fact that the final decision on this will be made by the Main Committee of the Democratic Party of Serbia, and considering the way things stand at present, it will be difficult to strive for elections under the current elections. Nevertheless, I hope that the conditions will be improved."

According to Goran Percevic, vice president of the Socialist Party of Serbia, "the Socialist Party will take part in the elections."

Assembly Adopts Publishing Law

LD0411231292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1517 GMT 4 Nov 92

[Excerpt] Belgrade, 4 Nov (TANJUG)—The Serbian Assembly adopted at today's session a bill on setting up the Panorama journalistic-publishing enterprise, which would give equal treatment to the following three papers: JEDINSTVO in Serbian, RILINDJA in Albanian, and TAAN in Turkish.

In an introductory report, [Serbian] Information Minister Milivoje Pavlovic stressed that there were two unused printing houses and a developed sales network in Pristina, the future site of the publishing enterprise.

All three papers will have independent editorial boards. Pavlovic added that in fact they would be three independent organizations with only the name Panorama in common, the name which is pronounced in the same way in all three languages. He explained that the name was selected to remove all traces of paternalism of one editorial board over others. [passage omitted]

Macedonia

Crvenkovski Discusses Pressure To Change Name

93BA0113D Belgrade VREME in Serbo-Croatian 19 Oct 92 p 22

[Interview with Prime Minister Branko Crvenkovski by Nenad Lj. Stefanovic; place and date not given: "The Little Balkan Miracle"]

[Text] The news that Branko Crvenkovski, a 30-year-old construction engineer, had recently become the Macedonian prime minister was received by most people not overly familiar with events in this former Yugoslav Republic with almost the same reaction—"We do not know the man, but the last name sounds familiar." The young prime minister (probably the youngest in the world) is not related in any way, however, to Krste Crvenkovski, at one time a distinguished Macedonian

politician whom the freshets of politics swept from the political scene in the early seventies. In a very short time, the Social Democrat Branko Crvenkovski formed a government together with representatives of the PDP [Democratic Prosperity Party], which brings together Albanians in Macedonia, the Liberals (former Reformists), and representatives of the Democratic Union of Turks, the Socialist Party, and the Party for Emancipation of Gypsies. There are in fact four ministers in that government in their 30's, five are Albanians, and the minister of culture is a Turk.

Opponents of such a government, above all the deputies of the VMRO [Internal Macedonian Revolutionary Organization], the largest group in the parliament, who as a sign of protest left the chamber of the parliament when Crvenkovski was taking his oath of office, say that Macedonia today actually has an "Albanian-communist" government. Vladimir Milcin, the well-known Macedonian film director, says, however, that this government is the first authentic multiethnic government in the Balkans, and he calls it the "little Balkan miracle." Milcin, informed people say, is also one of those deserving the greatest credit for Macedonia having gotten such a young prime minister for such difficult times, because he personally persuaded Crvenkovski, his fellow party member, to take the job of prime minister. "Some potential candidates," Vladimir Milcin says, "vacillated, others consented and withdrew, still others were afraid. When we proposed Crvenkovski, our point of departure was that he successfully guided the first firm in Macedonia which began to work with computers. He has shown that he knows how to work and to create, and, perhaps most important, that he is also able to live without politics."

"Our attempts to attain international recognition have lasted more than a year now, but so far without much to show for it," Branko Crvenkovski says. "We worked out a strategy at the very outset, and we have no reason to change it much. What, for that matter, is there to change in commitments to the effect that we are using exclusively democratic means of obtaining international recognition, that we are conducting a peaceful policy, that we are cooperative in relations with the international community, and that we fully honor the well-known standards and norms concerning respect for human rights and freedoms? Of course, the greatest obstacle to our recognition is our close neighbor Greece and its opposition to accepting the name Macedonia. So far, Greece has managed to impose its position on the entire EC, whose Arbitration Commission concluded at one time that only Macedonia and Slovenia of all the former Yugoslav republics deserve recognition. If our name really were the obstacle to recognition, that really would set a precedent. Some states have already recognized us, and we are certain that sooner or later other states will also accept reality and above all the arguments that Macedonia has fulfilled all the conditions necessary to be recognized."

[Stefanovic] We hear that you as a state have been offered substantial financial aid from various sides provided you renounce the name.

[Crvenkovski] It is not just a question of the name here, but of something much higher. Renouncing the name would at the same time signify renunciation of national identity. It is well-known from history that some of our neighbors are trying to prove that the Macedonian people does not exist and that we are part of their people. If we renounce the name Macedonia, those aspirations would take on incomparably greater proportions and would impart very gloomy prospects to our people and state.

[Stefanovic] Is there full agreement of all the political parties on the refusal to give in and change the name?

[Crvenkovski] All the parties, whether they are represented in the parliament or not, have almost the same view of this. We have achieved full consensus concerning the name. One of the principal trump cards of the Greek prime minister Mitsotakis at the conference in Lisbon was his attempt to prove that in Macedonia Macedonians constitute only 50 percent of the population and that for the others—Albanians, Turks, Muslims, or Gypsies—that name means nothing at all and that they are ready to change the name. Immediately after that, our parliament adopted a specific declaration rejecting that view. That declaration was unanimously adopted, and it is well-known that there are Albanians, Turks, and Wallachians in the parliament. If we did not really have full consensus on this question, we hardly would have withstood all the pressures up to now. Regardless of what government is in power, there can be no difference over the question of recognition and the name. It is only possible that there are those that would make more radical moves, especially on the interethnic plane, and that automatically means a potential danger to peace in Macedonia.

[Stefanovic] Without international recognition there are no prospects whatsoever of Macedonia receiving any economic aid at all. In that case, are there prospects, as in other parts of the former Yugoslavia, that the nationalists, especially those inclined to radical solutions, might thrust Macedonia into a risky war?

[Crvenkovski] Dragging out the international recognition of Macedonia inevitably thrusts us into that kind of escapade, because every day the extreme nationalists are accusing us of conducting a mistaken policy and say that extremely radical moves must be made. But it must not be forgotten that war has been waged or is still being waged in three of the four former Yugoslav republics that have been recognized. Only Macedonia has succeeded in preserving peace and stability, and as a "reward" for the fact that not a single bullet has been fired here, it has been put on the "waiting list" of the EC. It is quite logical for the extremists to see such a situation as an opportunity, and they are already complaining that we have not resorted to blockading the garrisons and to everything

that happened in the newly recognized states. However, this is not just a problem of this government, but should also be a concern for all those who really want peace in this region.

The experience of Croatia and Bosnia-Hercegovina shows that recognition is not really something that we need only after war begins here as well, so that in that case we might receive humanitarian aid and various observer missions; we need recognition and aid now, because afterward it could be too late. The EC and broader world community have had time enough to understand what is happening here, and I am afraid that one day they will bear great responsibility if they allow a new war. Because of Macedonia's strategic interest and the aspirations of our neighbors, that war might be only the prelude to a much bloodier and broader Balkan war. Over the last two years we have managed to preserve the peace, mainly by attempting to conduct a tolerant policy and resolving all the problems through dialogue, not with repression. At this moment, we have a government that represents a broad coalition in which representatives of the Albanian people and Macedonia play an important role. It is exactly that that bothers the nationalists the most.

[Stefanovic] They accuse you of being an "Albanian-communist" government?

[Crvenkovski] The only true salvation for Macedonia and all other multiethnic states is to push the civil concept of the state. If here as well people above all and exclusively are only Macedonians or Albanians, not citizens, we will accomplish nothing. This concept has to be worked on constantly, and both time and mutual trust are needed. This is not built with repression, but by balancing relations skillfully and through persistent talks. After all, when talk stops, there is nothing left but to shoot. This orientation of ours seems to bother those who do not want to see Albanians and members of other nationalities in the government.

As for the objection that we are a "communist" government, it is interesting that it comes most frequently from people who spent more years in the former LCY [League of Communists of Yugoslavia] than I am old. Some who have behind them 40 years of membership in the party are accusing us 30-year-olds of neocommunism. Our government is not going to engage in that kind of debate.

[Stefanovic] What kind of relations do you intend to build with the new Yugoslavia?

[Crvenkovski] That new Yugoslavia, above all Serbia, is our neighbor, and an extremely important one in view of the economic ties that we have built over the years. Because of the sanctions, those ties are today deadened to some extent, but the complementarity of our markets, broad ties at various levels, personal acquaintances and friendships still remain and will remain. We are trying to conduct a good-neighborly policy with all, and we do not want to destroy anything of what has been created up to now. At the same time, we are taking pains to build new relations as well. In doing this, we always bear in mind that we are a small state and that all our neighbors are larger than us. And all of them in one way or another have definite interests in connection with Macedonia. The chance we have is to try to conduct a policy of equidistance relative to all. That is the only way for us to survive. Down through history we have always been too much in confrontation with one of the neighbors, or we have been too close, and our identity and survival have been threatened.

[Stefanovic] Macedonians often like to say that they live between "four lions." It is the Greek one that seems most dangerous.

[Crvenkovski] All analyses of the statements of the Greek leaders show that even if Macedonia were recognized by the EC and the broader international community, that country would continue to conduct a similar policy toward us. Yet if we were able to choose with whom we would like to build the best relations, it would probably be the Greeks. They are members of the EC, and our border with Greece is our shortest road to the European economic integration. We have proposed to them the signing of a document on inviolability of borders, whereby any possibility of territorial claims on our part would be renounced. Anything like that is ridiculous anyway, because we are territorially, numerically, economically, and militarily inferior to the Greeks. We have also proposed a treaty on broad economic cooperation. They unfortunately are not only rejecting all those offers, but they are refusing even to sit down at the same table, demanding that we change our name.

[Stefanovic] Has there been a clear calculation of how much harm the sanctions against Serbia and Montenegro have done to Macedonia?

[Crvenkovski] The losses are immense. For decades now our economy has been oriented toward the integral Yugoslav market. Because of the war we lost the Bosnian market, transportation connections with Slovenia and Croatia are extremely difficult, and the sanctions have taken from us the Serbian and Montenegrin markets. This is a blow which even much stronger economies than ours would not easily be able to overcome. Production is off 30 percent from last year, and that is a very large drop, and by the end of the year the social product will drop to only $850. The blockade which Greece is conducting against us is superimposed on all of that, above all we are not being delivered the petroleum we have paid for. We thus have a situation in which even those who can work and export must shut down the machines because they do not have fuel. Because we have not been recognized, we are forbidden access to international monetary institutions. Along with all of that, about 40,000 refugees from Bosnia-Hercegovina have taken refuge in that exhausted Macedonia.

[Stefanovic] Is it at all possible under such conditions to talk seriously about privatization, which you have announced in small firms as a beginning?

[Crvenkovski] Our transition to a market economy and privatization would be fairly painful even without all the troubles I have mentioned. A great deal of money has been invested in East Germany, for example, and it is all going exceedingly slowly. Our position is, of course, incomparably worse, because at the moment not a dinar of international aid can enter here. Nor is time on our side, and we cannot postpone reforms and say—we will do it tomorrow. There simply is no tomorrow, it has to be done today. In a situation when a majority of the people are below the poverty line or near it, it will be very difficult to avoid the trap of populism. These times are ideal for various demagogues and extremists.

Kosovo

Vance, Owen Pessimistic After Pristina Visit

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[Text] Tirana, November 4 (ATA)—The two cochairmen of Geneva conference on former Yugoslavia, Cyrus Vance and Lord David Owen, presented UN and EC with their report on their official tour of Belgrade, Pristina, Skopje, Tirana, Podgorice, and Zagreb.

In general it is described as not optimistic. The two cochairmen are especially indignant at the situation in Kosovo. On their visit to Pristina, they report that negotiations were hard and lasted for several hours and hopes could hardly arouse for the opening at least of the elementary schools.

Their co-worker in this visit admits that their stay in Pristina was very grave, even physically, not only because of the demonstrations organised against Panic. He said Rugova maintained a very reasonable attitude, whereas the local Serbs were severe and persistently refused to make even the slightest step towards an agreement. He expressed skepticism whether Rugova will make any kind of concession unless he first gains ground. Therefore the two cochairmen of Geneva conference exerted pressure that at least Albanian elementary schools be opened in Kosovo.

As to the negotiations in Tirana, they say were reasonable.

Belgrade Weekly Analyzes Serb-Albanian Conflict

93BA0113B Belgrade VREME in Serbo-Croatian 19 Oct 92 p 10

[Article by Dusan Reljic: "Ibrahim Rugova, Statesman: The End of Romanticism"]

[Text] Two Putnik buses stopped beside one another at dawn at the Kelebija border crossing with Hungary. One had a Pristina license plate, the other was Belgrade. In spite of the flickering artificial light, the differences were obvious in a moment: The dress of the people arriving from Kosovo represented poverty, and among them were entire families with children, while the travelers coming from the capital were dressed in European style and were mainly alone. Both groups were mostly young, and their facial expressions told of impatience and anxiety.

The Pristina bus was going to Sweden, where paradise supposedly awaited those seeking "asylum," while the Belgrade bus was going to the terminal of the Budapest Airport, where planes take off for West European and overseas cities. The scene is repeated nearly every night, the bus schedules have been timed so that the Serbs and Albanians do not go together, but alongside one another, even when they are emigrating. Just the way their life has been.

Erosion of the nationality is the greatest defeat which ethnic leaders can experience. Devoid of any personal aspirations, they incessantly assert, they would only like to save the nationality from "the biological threat," "genocide," "the danger of disappearing." The hundreds of thousands of young Serbs and Albanians who have left this country in recent years stand witness that the leaders of the two most numerous nationalities in the remainder of Yugoslavia have failed in this regard. The exodus from the ranks of the nationality have become massive. As it always is, the ones who are going are those who have the most to gain and those who have the least to lose.

Serbian President Slobodan Milosevic and Albanian leader Ibrahim Rugova are in an ever tightening bind. Not only because their subjects are abandoning them by fleeing abroad, but also because the repertoire of rhetorical pirouettes and symbolic political gestures with which they might magnetize their followers is shrinking. The promises, threats, pledges, and curses are now spent. After everything that has happened in what used to be Yugoslavia, and especially in Kosovo, they face a binary choice: Reconciliation or slaughter?

In accepting the extended hand of Federal Prime Minister Milan Panic, Rugova, regardless of his ultimate intentions, has shown himself to be a statesman who recognizes the real political options. At this moment, he could only lose a war. By not resisting Panic's embrace at the Pristina press conference, Rugova wrenched himself free, at least temporarily, from a fateful clinch with Milosevic.

The American highbrow magazine THE NEW YORKER at one time described Rugova, not without respect, as a man who receives foreign journalists unshaven, with his shoes off, and holes in his socks. In a pathetic pose with a scarf around his neck, he emphasizes his frailty and nondescript appearance as a means of eliciting pity and sympathy. The Serbian leader, by contrast, in the suit of the faceless bureaucrat and forgettable tie, wishes to leave the impression of a serious and severe adversary who should be respected because of his strength.

In Rugova's behavior during the perhaps historic meeting with Panic on 15 October in Pristina, there was no trace of his flirting with his own weakness. He even allowed himself the luxury of speaking Serbo-Croatian, displaying a more confident command of grammar than the Serb from California.

At this moment, after all, it is the frail Rugova who is undoubtedly the stronger player. For the top federal leadership, the commencement of battles in Kosovo would signify the end of every hope of any Yugoslavia surviving. War in Kosovo still cannot benefit the Serbian president, because he has not used up all opportunities to hold onto power without resorting to outright violence.

In contrast to that, Rugova's possible attempt to achieve his objective—secession of Kosovo—without postponement, would be possible only through violence and lead straight to the abyss. At the moment, he has the tactical advantage, but in strategic terms and over the long run, only Cosic and Panic can save Rugova from Milosevic, who can try to set Kosovo on fire when he touches bottom in Belgrade.

The experience of Yugoslavia's ruination tells him that.

The West has decided that Wilson's and Lenin's fundamental right of a people to self-determination, expressed at the beginning of this century, only means at the end of it that the disintegration of multiethnic communities must go no further than the borders of what were formerly their constituent parts. Otherwise the muddled situation in the east and southeast of Europe would become chaotic, and the "civilized world" might be drawn into the maelstrom.

This position is no more nor no less rational than a lasting allegiance to the principle of the territorial integrity of states, including multinational federations, would be. It is qualified by the political balance of power at the moment and subject to changes dependent upon it. They all know that Bosnia-Hercegovina will never be a unified and independent state. One day, they will in fact acknowledge it, but not at this moment. Just as they wrote off Yugoslavia when there was change of the vector of forces for it and forces against it.

Rugova knows that the same principle also applies to Kosovo. The West can deny Serbia annexation of territory in Croatia and Bosnia only so long as its state territory remains intact. That is why the Greek Prime Minister Constantinos Mitsotakis told the German newspaper SUDDEUTSCHE ZEITUNG that "the Albanians in Kosovo must not be aroused to seek independence, just as independence of the Serbs in Croatia must not be approved." It is unthinkable—for the present—for Kosovo to separate in the south without "compensating" Serbia with new space to the West.

Fully aware of the hazardous linkage in which what Rugova would call the "just demands of Kosovo Albanians" may suffer, he told the DAILY TELEGRAPH that "if Kosovo accepted autonomy, the issue would be put to rest, but we will not do that." The negotiations with the top federal leadership secured the attention and inclination of the West. Their ultimate outcome is unpredictable, but anything is better than the present headlong rush to war, in which, as the Bosnian experience teaches, the side that is militarily weaker will be removed from the face of the earth.

Rugova has before his eyes the cataclysm experienced by the Muslims in Bosnia-Hercegovina. The foreign military intervention which Alija Izetbegovic so much believed in has so far not occurred because, as Colin Powell, the chairman of the U.S. Joint Chiefs of Staff, tirelessly reiterates, there are no clear political objectives to be achieved through a military operation. "Bomb Serbia," a slogan taken from THE NEW YORK TIMES, perhaps seems attractive to many people, but it does not contain an answer to the question "What happens afterward?" Either the author in the U.S. newspaper really believes his own statement to the effect that "the objective is not simply to punish the Serbian leaders, but to show them that only by working out the disputes can they avoid further suffering in the future"?

Nevertheless, there is no doubt that large-scale attacks of the Yugoslav Army against Albanian settlements in Kosovo would in a moment provoke U.S. air attacks against targets in Serbia. What would be left after that war? The infrastructure in Serbia would be destroyed, but Kosovo would also be burned out and empty. What might prevent a massive flight of the population from Kosovo to Albania? Deep snow possibly, if the war happened to occur in the wintertime. What could prevent Croatia and the Muslims in Bosnia in an attempt to use a war in the south of Serbia for revenge? Certainly not the presence of the UNPROFOR [UN Protective Force]. The apocalyptic vision of the consequences of a war in Kosovo is unlimited.

If Rugova is thinking about the travel of the fireball that could result from an armed uprising of Albanians in Kosovo, then he is probably a worried man. If he is reckless, then he is ready to repeat the escapade of Alija Izetbegovic, who is not willing to "sacrifice the sovereignty of Bosnia-Hercegovina to peace." Having opted for a dialogue with Panic, Rugova perhaps is showing nothing more than his not yet being ready for war, but there is more reason in that than shown by the landless Bosnian president.

There is a factor which is slowing down, but probably not halting, intensification of the longing of Albanians in Kosovo for complete independence and unification with Albania. It appears, at least for now, that Albania does not really want them. Judging by the statements of foreign political observers who have recently visited that country, Albanian society has fallen apart. Political, economic, cultural, and other institutions have mostly vanished. Only lasting aid from abroad can enable Albania to get on its feet again. The question is whether the aid could be secured if the most important national

objective were unification with Kosovo, which presupposes war with its neighbors?

What is more, in spite of everything Kosovo is more progressive than Albania in economic terms and the standards of civilization, so that this would be a tie-up of two unequal partners, and it is well-known how such marriages end up.

Nationalism, however, like premarital love, is a romantic feeling. In the Balkans especially, in the collective psychology of nationalities there is obviously a strong inferiority feeling toward Central and West Europe which is compensated for with romantic notions about the "historical greatness," "nobility," and "goodness" of one's own nationality, perpetually threatened with dangers from outside. Journalists have long used the definition of nationalism as a union of the individual inferiority complex and collective megalomania.

As a poet, Rugova is classified as a romantic. The Serbian romantic myth about Kosovo has caught up with him: He has to decide to which realm to commit himself. If he decides on an uprising, he will probably go down in history as a tragic fighter for ethnic rights whose political career ended in the Balkan Armageddon. If he tries his hand at realpolitik, his poet's halo will disappear, which means that he will take off his scarf and thereby spoil his "image." He will have to get involved in haggling over the limits of the autonomy of the Albanians in Kosovo. He will become a prosaic, but contemporary, statesman.